A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

April 14, 1969

1969
1970
1971
1972
1973

basis for strategy: Commerce examines 5-year export outlook

International Trade Winds Newsletter

Company News

EXPORT PACKING—The 7 Santini Brothers, New York, have announced the expansion of their international operations, through charter membership of the firm in the newly formed International Network of Packers and Routing Organization (INPRO). The new association will be able to provide door-to-door packing and transportation services for industrial plants and equipment. INPRO will undertake complete responsibility for documentation, packing, hauling, and on-site delivery and setup from any point in the world to any other point.

BANKING—First National City Bank, New York, has acquired a 40% interest in National and Grindlays Bank, London, a major British bank with the equivalent of about $1 billion in deposits. The remaining 60% of the bank is owned by National and Grindlays Holdings, Ltd., which in turn is 41% owned by Lloyds Bank, also of London. National and Grindlays has 296 branches in India, Pakistan, Ceylon, Aden, Jordan, the Arabian Gulf States, Great Britain, and several African countries, including 54 branches acquired in February from the Ottoman Bank. The affiliation brings Citibank's overseas banking network to 578 offices in 78 countries and territories, of which 234 are Citibank direct branches or subsidiaries.

COMMUNICATIONS—International Telephone and Telegraph Corp., New York, has announced that it will build a $2.8 million satellite communications ground station in Greece. The station will provide direct links between Greece and the rest of the world vit the Intelsat III communications satellite. Services provided through the new installation will include international television.

CHEMICALS—The Houdry Process and Chemical Co., a division of Air Products and Chemicals, Inc., Allentown, Pa., has granted a license to Ukishima Petrochemicals Co., Ltd., Kawasaki, Japan, for the use of the Houdry Hydrogenation of Pyrolysis Gasoline (HPG) process to produce aromatic petrochemical concentrates. Ukishima will use the Houdry HPG process to convert 5,000 barrels per day of pyrolysis gasoline to aromatic concentrate.

Six reasons to sell overseas from Culligan executive Donald L. Porth: worldwide exposure of company mark builds its U.S. image; diverse world markets balance out slack business periods; stimulus to r & d activity; training challenges for future top management; prestige for workers and owners; chance to combine sales work with promotion of global good will.

Container capability today and tomorrow: the American Association of Port Authorities reports 90 container berths now in operation or a-building at 31 U.S. ports can handle fully containerized vessels. Additionally, 50 full container berths are expected to be operating over the next three years. Further, 150 partial container berths are now in operation or under construction.

U.S. business organizations and companies are invited to send displays to an exhibition on Law and Economic Development at the Bangkok World Conference on World Peace Through Law next September. Production and distribution systems applicable to developing nations are among the suggested topics for the exhibits. The World Peace Through Law Center, 75 Rue de Lyon, 1203 Geneva, Switzerland has full participation details.

When the secretaries of 29 British trade associations were personally contacted in connection with the recent Transducer show at the London U.S. Trade Center, it was only one part of a promotional campaign that started with mailings to 8,000 professional people, reminders to 2,500, and personal invitations to 250 top prospects. Thus it was far from happenstance when an exhibitor remarked at show's end: "The right people have certainly been attracted to this show."

Promotions differ with differing target audiences at the U.S. Trade Centers. A Tokyo distributor for air conditioners built by Admiral, Borg Warner and GE took to the mass media, including TV and press announcements, to bring customers to a two-day between-regular-shows presentation at the Tokyo Center. The 280 persons who came initiated actual and expected sales of about $100,000.

Exactly the opposite approach was taken by the Tokyo agent for Doughboy Industries, New Richmond, Wis., who drew a bead on 50 selected invitees for another two-day between-regular-shows event at the same center. In this case the sales item was a shrink packaging machine rather than consumer products.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

What will the U.S. export and import levels be in 1973? A goal of $50 billion in exports has been set for that year by a Cabinet committee concerned with the U.S. balance-of-payments situation. But forecasts made after detailed studies by teams of Commerce Department country and commodity specialists show that this goal will not be easy to reach. A survey of more than 150 manufacturers confirms such a finding. Story begins on page 2.

April 14, 1969

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Special Report

Commerce, Industry Specialists Take Five-Year Look Ahead At U.S. Trade, Pages 2-7

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EXPORT-IMPORT FORECAST

Commerce takes 5-year look into U.S. trade future

BIC appraises projections of country, commodity specialists and more than 150 firms

U.S. trade balance in 1973 may be a far cry from the hefty trade surpluses registered before 1968, according to a recent forecast by the Commerce Department's Bureau of International Commerce.

This and related prospects have been brought together by the Bureau's Export Strategy Staff in a new report, "U.S. Foreign Trade: A Five-Year Outlook."

The forecast responds to needs springing from the major role of trade in the country's balance-of-payments position. The Bureau arrived at its totals by appraising the export expectations of more than 150 U.S. manufacturers and estimates by Commerce Department specialists.

Slower growth seen

The Bureau study found that U.S. export growth compares unfavorably with that of other industrial countries, that export growth is likely to slow in the coming years if export-expansion measures are not taken, and that import growth, while falling from the very high rate of 1968 (23.6%), is unlikely to recede to levels that would provide a large trade surplus.

Export and import projections in the report indicate that the probable U.S. trade balance in 1973 will range from a $1.2 billion surplus to a $1.8 billion deficit. A diminishing trade surplus or a trade deficit, particularly in the context of an uncertain outlook for the balance of payments, is seen as endangering the continuance of a liberal trade policy which has contributed materially to the economic growth of the United States and its principal trading partners.

The report urges that U.S. trade balance prospects be brightened by taking positive measures to increase exports rather than by pursuing a trade-contracting policy of restricting imports.

The outlook is presented as seen by three separate groups: the Department's Business and Defense Services Administration commodity specialists, the Bureau's country market specialists, and 158 U.S. manufacturers surveyed, under contract, by the Business International Corp.

Commodity outlook

The overall projections based on commodity composition show exports in 1973 at $43.6 billion and imports at $41.2 billion.

According to BDSA commodity analysts, who examined the prospects for 89 industry groups that together account for 70% of U.S. manufactured goods exports, trade in industrial supplies and raw materials and in automotive vehicles and parts is expected to increase approximately in balance through 1973. Significant items in the composition of U.S. trade are expected to be a strong increase in exports of capital goods and mushrooming imports of consumer goods.

U.S. export growth is seen by the BDSA analysts as being primarily dependent upon capital goods, which are projected as providing 40% of total U.S. export growth through 1973. Such goods provided about 36% of total U.S. export growth during 1962-68. Imports of consumer goods—which have been increasing at an average rate of 4.5% per year since 1962—are expected to grow at an average rate of 12% per year and to account for nearly one-third of total U.S. import growth through 1973.

A host of trade barriers—particularly those of the EEC countries—are expected to continue to limit agricultural trade. Department of Agriculture analysts forecast a static export level in the next five years for agricultural products other than feedgrains and oilseeds, with a total gain of about $750 million.

The Department of the Interior expects only a small growth in exports of coal above the current annual level of $500 million (also due largely to foreign trade barriers), and the Defense Department projects a static level of military exports at about $1.5 billion annually.

In classifying product groups by competitive position, BDSA analysts judged that product groups comprising over half of U.S. exports of manufactured goods would be able to maintain or improve their competitive position in world markets over the next five years.

Seven industry groups are expected by BDSA commodity analysts to supply the largest share of U.S. export growth through 1973: chemicals, construction and mining machinery, industrial machinery, business machines, aircraft and parts, photographic equipment and supplies, and scientific instruments. If projections are confirmed, the chemical industry will generate a trade surplus of more than $2.3 billion by 1973.

Country markets

BIC country market analysts, in examining the 29 major markets for U.S. exports—which account for 86% of total U.S. exports—forecast that the U.S. share of industrial markets will hold its own, but that the rate of growth of these markets will slacken. BIC's forecast places total U.S. exports in 1973 at $46 billion. Tightening labor conditions in the indus-

Commerce publishes trade forecast

The findings and forecast of the Bureau of International Commerce staff specialists who have been looking into the U.S. trade future are detailed in a new Commerce Department publication just off the press.

For a copy of the 96-page report, "U.S. Foreign Trade: A Five-Year Outlook", write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or any of the Commerce Department Field Offices. The price is $1.

trial nations are expected to increase demand for sophisticated U.S. machinery and to increase foreign prices relative to U.S. prices.

The U.S. share of world markets, however, is seen as declining due to a marked decrease in the U.S. share of less-developed country markets. Approximately 30% of U.S. exports are absorbed by less-developed countries.

The rate of import growth in the developing countries is predicted to increase slightly in 1969-73. Import growth in such nations is less a function of economic growth than it is of exchange availability, however, and thus is primarily related to export earnings, economic assistance, and foreign investment.

More concentration

BIC analysts see an increasing concentration of U.S. exports, and the five largest markets for U.S. exports are expected to account for 60% of total U.S. exports to the countries examined. The five largest markets for U.S. exports in 1973 are forecast (in order) as: Canada, Japan, United Kingdom, Germany, and France. Among the major markets for U.S. exports, Australia is forecast as rising most rapidly in importance.

Four countries were singled out by the BIC analysts as meriting particular attention: Canada, Germany, Italy, and Japan. The aggregate decline in the U.S. trade balance from 1962 to 1968 with three of these countries—Canada, Germany, and Japan—was $4.2 billion, $300 million larger than the total decline in the trade balance with all countries in that period. The report points out that special efforts should be taken to increase the access of U.S. exports to these markets.

Manufacturers' viewpoint

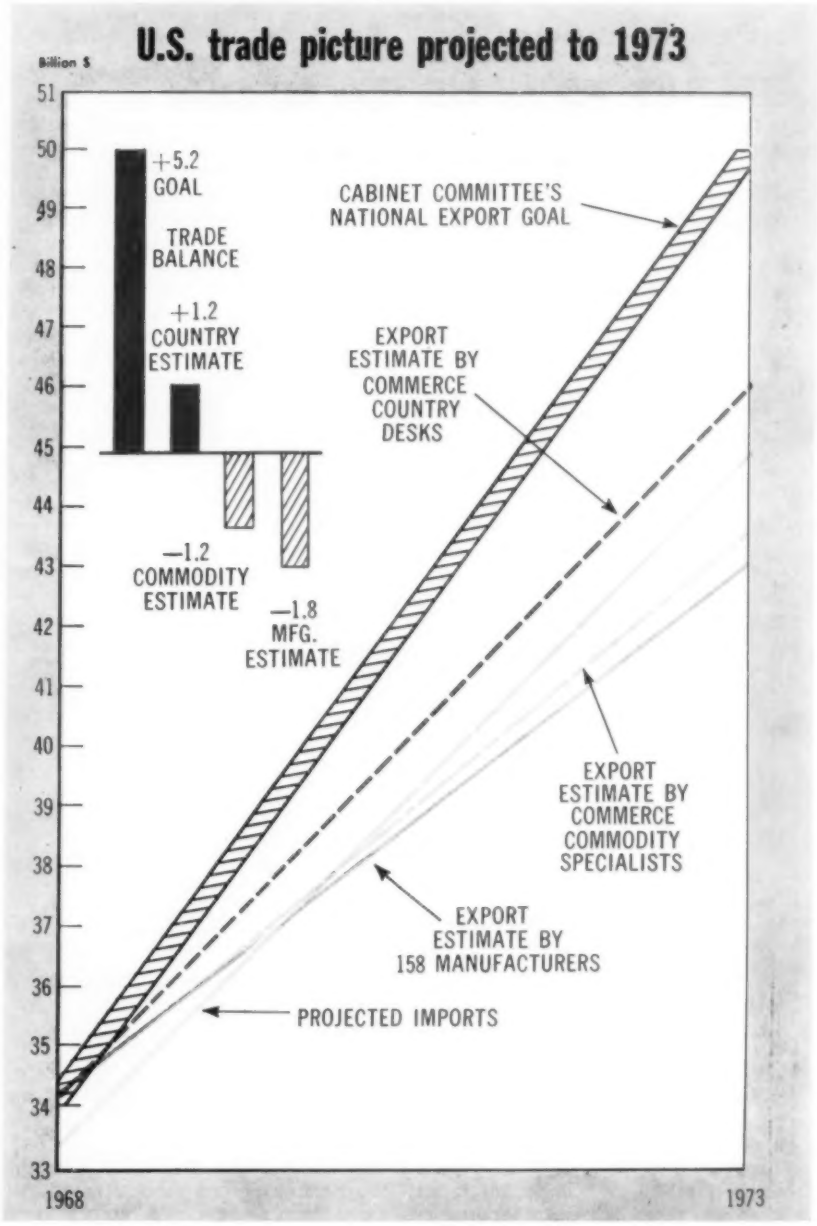
The 158 U.S. manufacturers surveyed for BIC by Business International accounted for about one-third of total U.S. manufactured exports. These companies forecast the largest dollar-volume increases in U.S. exports through 1973 as being in electrical machinery and supplies, transportation equipment, nonelectrical machinery, and chemicals—in that order.

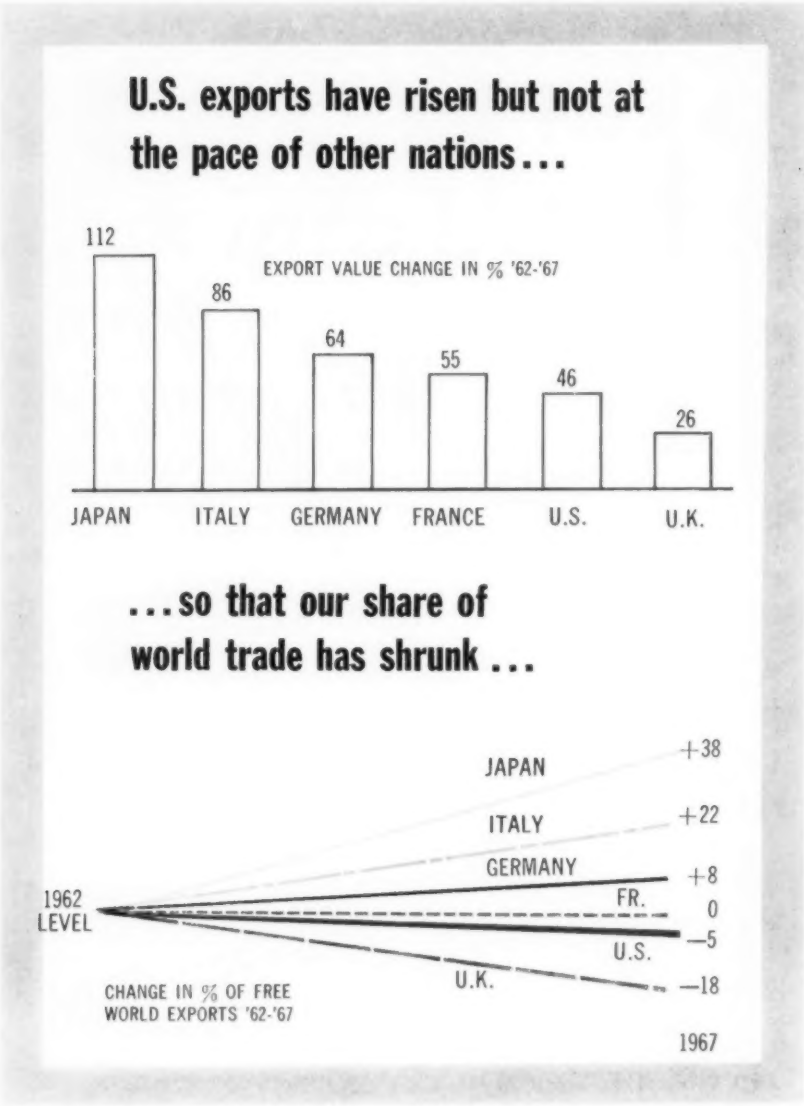
Within each category, the manufacturers believed the export growth potential of products to be closely related to three factors: a high technology content, cost competitiveness, and natural advantage—for example, raw material availability. Many of the companies believed that the technological advantage enjoyed by U.S. producers relative to competitors in third-country markets is diminishing, while at the same time the labor cost differential is being maintained. This, they said, is leading to a diminishing competitive advantage on the part of many companies and is causing some U.S. products to be dropped out of export trade.

Among the four major country markets commented on separately (Canada, Japan, Germany, U.K.), Canada stands out as the one to which the largest number of manufacturers believe their exports will increase.

A great many firms said their total sales to a particular country market (production of local affiliates, production of affiliates in third countries, and exports from the United States) are expected to rise more rapidly than their exports from the United States. Generally, the companies surveyed shipped nearly half of their total exports to their overseas affiliates. Most of the companies indicated that the continued expansion of their overseas affiliates was necessary to increase their export volume.

The expectation of continued growth





in overseas markets was listed by the companies as the most important factor underlying potential U.S. export increases in the next five years. The introduction of new, technologically-advanced products was listed as second in importance.

Third-country competition

Of the factors seen as impeding growth of U.S. exports, the firms considered third-country competition—especially from Western European and Japanese firms—as the most important. Increased competition from domestic competitors within individual markets was listed as being of lesser importance. In considering third-country competition, emphasis was placed on the support that European exporters receive from their Governments—especially export subsidies, better credit terms, and tax incentives. These factors, the firms felt, will make competition for U.S. exporters especially severe in the 1969-73 period.

More than half the companies mentioned that present U.S. Government regulations limiting investment outflows inhibit exports and indicated that their exports would increase in the absence of such restraints. (The survey was made some time before the April 4 relaxation of investment controls, explained on pp. 8-10 of this issue.) One-quarter of the companies, however, stated that their planned investments overseas would reduce their exports from the United States.

In recommending actions the U.S. Government should take, the firms listed as most important: tax incentives to U.S. exporters, improvements in export financing, an accelerated attack on foreign non-tariff barriers, further reductions in foreign tariffs, a reduction in U.S. inflation, elimination of the regulations limiting foreign direct investments, and increased U.S. Government export promotion programs.

Imports' growing importance

While export growth has not improved relative to the growth of the U.S. economy (remaining at 4% of GNP) and has actually lost ground in comparison to the exports of other industrial nations, imports have been assuming an increasing importance in the U.S. economy. The U.S. market—the largest, most prosperous, and most open market in the world—has drawn an increasing flow of foreign consumer goods, capital equipment, and industrial materials. The ratio of imports to U.S. GNP averaged 3% from 1955-65, rose to 3.4% in 1966-67, and to 3.8% in 1968.

There are multiple causes of the import surge which began in 1965, declined sharply in 1967, and rose even more sharply in 1968. The causes include domestic price inflation; stimulus of the U.S.-Canadian Auto Products Trade Agreement to auto imports from Canada; and in 1968, random events such as a prolonged strike in the copper industry, the threat of a steel strike, and dock strikes.

In 1968 the inflationary factor overshadowed all others in stimulating an import growth that was 23.6% above imports in 1967. Inflation was a strong, but lesser, factor in other years since 1964.

A second major factor, less well understood, is the auto products trade agreement with Canada, whose impact has coincided with the inflationary phase but is independent of it. Imports of automobile vehicles and parts from Canada grew from less than $100 million in 1964 to $2.6 billion in 1968. In the same period, however, U.S. exports of auto products to Canada grew from about $600 million to $2.4 billion.

Import/GNP ratio

Until 1965, U.S. imports grew consistently at almost the same rate as the GNP. Since 1950 there had seldom been as much as one-tenth of one percent variance from an annual 3% import/GNP ratio. The report points out that it would be a mistake to assume that once the U.S. economy is relieved of

inflationary pressures, the ratio of imports to GNP will again fall to a 3% level. Some substantial reasons to question the assumption are presented.

The ratio of imports of finished manufactures to total imports has risen rapidly in recent years. In part, the report states, the increase has been due to consumer discovery and approval of foreign products not produced in the United States—for example, compact autos and transistor radios.

A perhaps even more important reason given is the aggressive determination of foreign manufacturers to penetrate the U.S. market by exporting, which has led to the increasing use of modern advertising and merchandising techniques to build strong marketing and service organizations which may have an increasingly durable place in the U.S. economy.

According to the report, the increase in imports of manufactures has also resulted in part from establishment of plants by U.S. firms in low-wage countries to produce for the U.S. market, as in the cases of TV picture tubes and clothing.

Finally, the report points out, an appraisal of the outlook for the next five years should not dismiss the possibility that increased domestic prosperity may be an important factor in increasing the ratio of imports to domestic production.

Growth to slacken

Thus, while import growth in the United States is expected to slacken, imports will probably not retreat all the way to their pre-1965 levels. Factors which will tend to reduce U.S. import growth include: an expected abatement of domestic demand and inflation, a rise in export prices of other industrial nations relative to U.S. prices, the introduction of "sub-compact" U.S. autos, and a slackening in the rate of growth of auto products from Canada. Factors tending to maintain import growth include those mentioned in the previous paragraphs.

The report contains two projections of U.S. imports in 1973—a probable high and a probable low. The prospective range of imports as indicated by the two projections is $41.2 billion to $48.4 billion. As any estimate must be arbitrary and has only an illustrative value, an average of the two—$44.8 billion—is used to indicate potential 1973 trade balances.

Although recent U.S. export growth has been high relative to earlier periods, the report states, it has not kept pace with the surge in world trade; and the U.S. share of world markets has been on a gradual decline. U.S. export growth since 1962 was less than any other Free World industrial nation except the United Kingdom. For example, while in 1962-67 U.S. exports grew 46% by value, those of Japan grew 112%, those of Italy 86%, and those of Germany 64%.

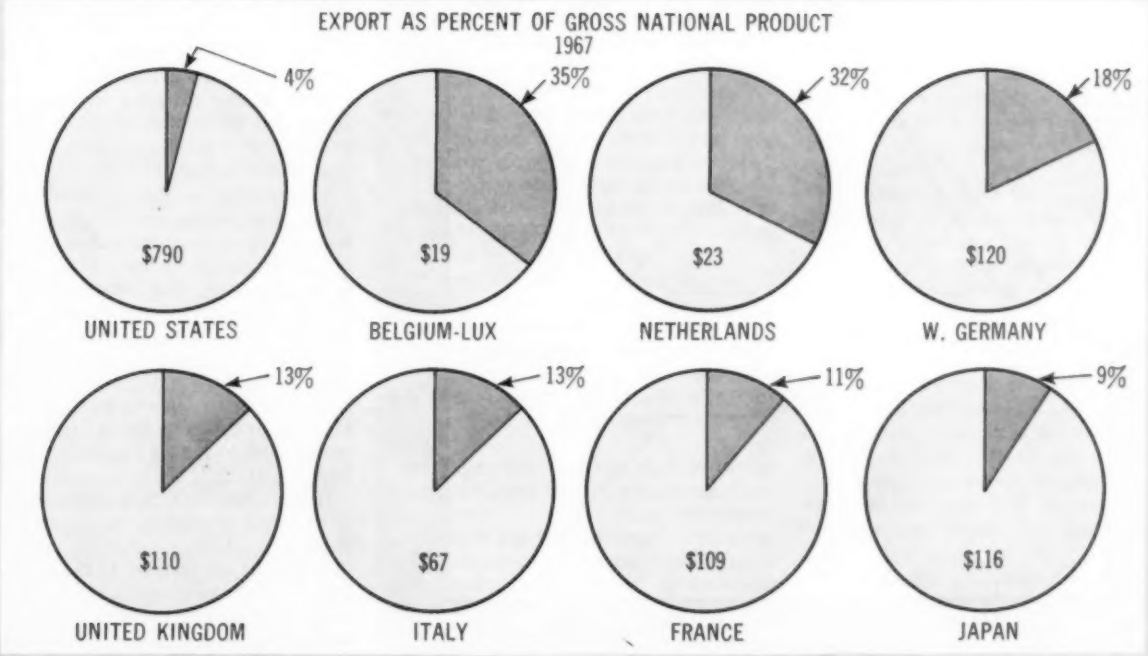
Exports have not been increasing in importance relative to the domestic economy, and the ratio of exports to GNP has been fairly constant at about 4%. This is the lowest ratio of exports to GNP of any industrial nation in the Free World. Belgium-Luxembourg, for example, exports 35% of its domestic output (proportionately almost nine times as much as the United States), Germany exports 18%, and Japan 9%.

Limiting factors

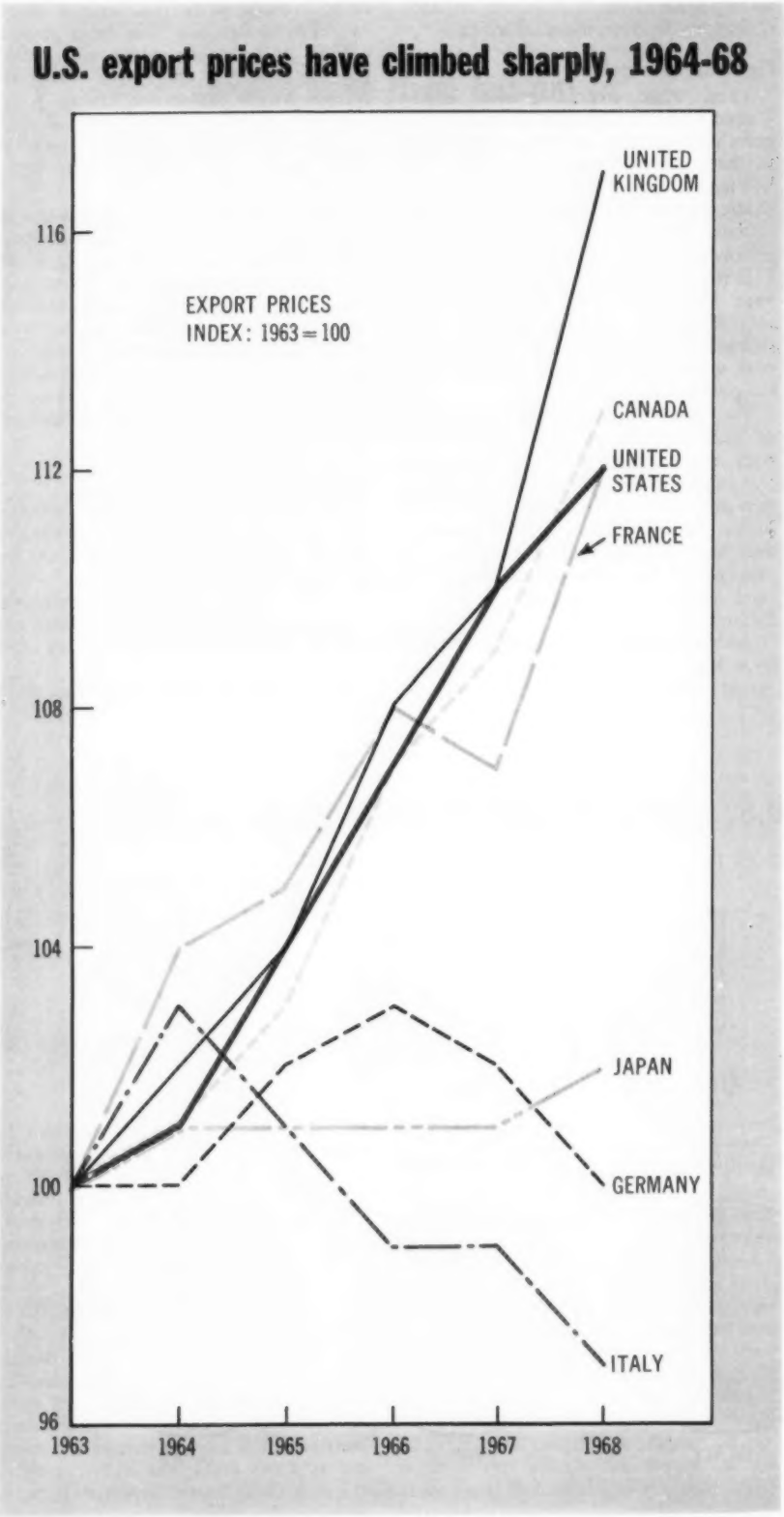
In seeking to explain the unfavorable U.S. export performance relative to that of other industrial countries, the report stresses the following:

- U.S. exports are impeded by a lack of parity between the United States and some of its principal competitors in taxes on trade.
- U.S. export prices have risen more

Ratio of U.S. exports to GNP relatively small



U.S. export prices have climbed sharply, 1964-68



rapidly than those of some of its important competitors—notably Germany, Italy, and Japan.

- A variety of non-tariff barriers hamper U.S. exports.
- The technological superiority which U.S. firms have held in many industrial areas is probably diminishing.
- Interest in exporting is insufficient, stemming from the existence of the large domestic market.
- Many U.S. firms manufacture overseas rather than export. While this decision has helped some exports and harmed others, U.S. exports could be increasingly harmed if multinational corporations continue to turn to non-U.S. sources for their foreign sales.

Slower export growth seen

A slackening in the rate of U.S. export growth was the prognostication of all three of the independently-derived forecasts in the report. The highest forecast was for 1973 exports of $46 billion, a 1969-73 growth rate of 6.2% per year. The lowest was for 1973 exports of $43 billion, a growth rate of 4.7% per year. U.S. exports grew at the rate of 8.4% per year in 1962-68, and 1968 export growth was 9.9%.

An important determinant of the forecasted lessening in the rate of U.S. export growth is the expectation in each of the three forecasts of a more gradual rate of growth of world trade as a whole. This expectation stems primarily from judgments regarding the industrial countries—principally in Europe, where economic growth (and hence import growth) is expected to be more moderate. Economic growth is also expected to moderate in Japan, but the growth of other industrial nations and of the less-developed countries is generally expected to quicken.

Contributing to the predicted slackening in the import growth of the countries above is the anticipation of slower economic growth in the United States. In a recent period, U.S. imports accounted for a significant part—perhaps close to one-half—of the total export growth of the industrial countries. Any reduction in U.S. import growth, the report points out, "would have an important impact on foreign sales of the developed countries, and would tend to reduce their economic and import growth."

Thus, while the U.S. export growth rate is expected to slacken, the export growth rates of most other industrial nations are also expected to slacken. In the absence of positive export expansion measures, however, U.S. export growth is expected to remain below that of most of its principal competitors, resulting in a continuing decline in the U.S. share of world markets.

The U.S. share loss expected in the report is more moderate than the share losses since 1960. The U.S. share of 29 principal world markets is expected to fall to 20.7% by 1973, down from the 21.1% share in 1967 and the 22.4% share in 1960. Insignificant as this loss in share may seem, the report notes that were the U.S. share of each of the principal markets examined to remain unchanged from that of 1967, U.S. exports in 1973 would have been forecast to be $1.6 billion higher.

Goal and recommendations

The report concludes that the United States Government should take positive measures to increase the proportion of domestic production that is exported by placing U.S. exports on a more competitive footing.

An export goal of $50 billion in 1973 is recommended by the report, a goal that is $4 billion above the most favorable export projection. This goal is believed to be feasible if the Government commits itself to policies proposed in the report and if world import demand does not slacken significantly more than is anticipated.

A goal of this magnitude would probably require a higher ratio of exports to domestic production than the normal 4%, and a ratio of 4.3% by 1973 has been set as an objective of the Commerce Department's five-year export expansion program.

A significant, enduring shift in the proportion of domestic production devoted to export probably cannot be achieved without a purposeful change in the orientation of some institutions of the U.S. economy to make them more responsive to exporting. In particular, these are the tax system, the credit system, and transportation facilities and rates. Inevitably, they have been shaped to serve the domestic needs of a continental economy. Export is incidental. The nations most successful in exporting—notably Japan, Germany, and Italy—have oriented tax, credit, and transportation policies to serve export goals as well as domestic ones. The United States will need to do the same to achieve comparable success.

Toward this end, the report makes the following major recommendations that might affect company policies:

► Create certain tax incentives to make exporting more attractive, and undertake a formal study of the possible merits of a value-added or other indirect tax for the United States.

► Take steps to assure U.S. exporters adequate export financing on internationally competitive terms and conditions, particularly the establishment of an automatic rediscount facility for export paper.

► Enlarge and improve Government export expansion programs in cooperation with industry and agriculture.

► Initiate and support efforts to lower export distribution costs—particularly transportation and documentation costs.

► Strengthen U.S. participation in international product and engineering standards-making and intensify efforts to simplify international patent and trademark filing procedures.

Other major steps, in Government policy development, are recommended:

► Elevate export expansion to a higher priority in the foreign aid program, consistent with developmental and foreign policy objectives.

► Bring together the presently fragmented Government export efforts by developing a common policy and coordinating the resources needed to carry it out—in a new, interagency Export Strategy Committee.

► Press vigorously for the removal of foreign non-tariff barriers that impede U.S. access to foreign markets.

► Work for revised GATT rules on the taxation of exports and imports that will not disadvantage U.S. trade.

► Seek removal of "hidden" foreign subsidies that hurt U.S. exports to third countries and harm U.S. producers at home.

► Raise the more important U.S. trade objectives to a higher priority in U.S. relations with its principal trading partners.

► Strengthen the President's negotiating leverage for dealing with countries that unjustifiably restrict U.S. commerce.

PREDICTIONS BY COMMERCE SPECIALISTS point to growing demand by industrial nations for U.S. machinery. Located within Common Market, Container Terminal "Amsterdam", above, is transshipment center for cargo moving by rail and canal. A major user is Container Marine Lines, subsidiary of American Export Isbrandtsen. Crane has 50-ton lifting power and reach extends 144 feet over quay.

Committee at work

Following completion of the forecast on U.S. international trade, detailed in the accompanying article and in the full report being published, a Cabinet Committee on Export Expansion was reactivated under the chairmanship of Commerce Secretary Maurice H. Stans.

At its first meeting, the committee accepted the $50 billion export total recommended as a tentative goal for 1973 and created an Export Strategy Committee as its executive body.

The Export Strategy Committee, also an interagency unit, has begun to consider action on the report's recommendations as well as on recommendations of groups such as the National Export Expansion Council.

PRESIDENTIAL ACTIONS

Ease investment controls

Exemption floor is raised, '69 quotas increased; tax, bank credit measures announced

President Nixon, moving to "stop treating symptoms and start treating causes" in the U.S. balance-of-payments situation, has eased controls on overseas investments by American firms, reduced the equalization tax on U.S.-owned foreign securities, and welcomed a Federal Reserve Board action that gives banks more flexibility in financing U.S. exports.

"The distortions created by more than three years of inflation cannot be corrected overnight," the President said in an Apr. 4 statement. "Nor can the dislocations resulting from a decade of balance-of-payments deficits be corrected in a short time. . . . By facing up to fundamental economic needs, the inflationary tide and the trade tide can be turned and the U.S. dollar continued strong and secure."

The President said a program aimed at "cooling the economy through fiscal-monetary restraint" would be coupled with the following changes in procedures and controls affecting trade:

"First, I have today signed an Executive Order reducing the effective rate of the Interest Equalization Tax from 1¼% to ¾ of 1%. This measure was designed to close a large gap—which has now narrowed—between foreign and domestic interest rates. I shall, however, request the Congress to extend the President's discretionary authority under the Interest Equalization Tax for 18 months beyond its scheduled expiration in July.

"Second, I have approved a recommendation to relax somewhat the Foreign Direct Investment program of the Department of Commerce. This means that most firms investing abroad will have substantially more freedom in planning these investments.

"Third, I have been informed by Chairman Martin of modifications in the Federal Reserve program which will provide more flexibility for commercial banks, particularly smaller and medium-sized banks, to finance U.S. exports."

Investment Controls

The Foreign Direct Investment Program, which controls capital flows for overseas investment by U.S. business, is being liberalized in the following principal ways that are effective Jan. 1, 1969:

► The minimum investment quota affecting exemptions from the controls will be raised from last year's $200,000 to $1,000,000;

► An optional earnings allowable based on 1968 earnings of foreign affiliates will be fixed at 30%;

► Small and medium-sized investors will be asked to file only one report for 1969, and will be exempted from filing quarterly reports during the year;

► Fairer treatment will be accorded to companies in the extractive industries with respect to exploration and development costs, and

► A new liberalized policy will be established for the air transportation industry to facilitate the orderly introduction of the new "jumbo" jets now nearing entry into worldwide service.

Concept opposed

Announcing the liberalizations on Apr. 4, Secretary of Commerce Maurice H. Stans said: "President Nixon, in approving my recommendations to liberalize the controls, reiterated his fundamental disagreement with the concept of international capital restrictions and his commitment to phase out these controls as soon as the overall balance of payments situation permits."

The actions taken will have the effect of increasing the target ceiling from $2.95 to $3.35 billion.

The Office of Foreign Direct Investments was established by President Johnson last year to reduce the balance-of-payments impact by $1 billion in the past year.

Preliminary data indicate that American business reduced controlled transactions of 1968 (excluding Canada) to approximately $1.5 billion compared with $3.7 billion in 1967. This was accomplished largely because of a sharp increase in the use of foreign borrowings by U.S. companies and their foreign affiliates. A recently completed OFDI survey indicates that foreign financing will continue to be used heavily in 1969.

Despite the substantial reduction in direct investment in 1968, it appears that foreign plant and equipment expenditures last year (excluding Canada) increased 5% over the 1967 level. This year, foreign plant and equipment expenditures are expected to rise 8%.

The minimum investment allowable is being increased from last year's $200,000 to $1,000,000 to ease the burden of the controls on small and medium-sized companies. In addition, this allowable will be changed to apply on a worldwide basis without limitations among the three scheduled areas. To limit the applicability of the minimum investment allowable to small and medium-sized businesses for which it is designed, companies using this allowable will not be permitted to offset aggregate annual losses in computing their direct investment.

Companies making direct investment of less than $1,000,000 during 1969 generally will not be required to file quarterly reports during the year and will be required to file only an annual report for 1969. In 1968, smaller investors had to file quarterly reports even though exempted after mid-year from providing details.

The reporting exemption will apply to direct investors who do not have direct investment (whether positive or negative) in 1968 or 1969 in excess of $1,000,000. For this purpose, companies must include direct investment in Canada and direct investment made with foreign-borrowed funds, which are deducted in computing net investment for the year.

Many affected

The reporting exemption would benefit more than 2,500 of the 3,200 direct investors currently filing reports with the Office.

The 30% optional earnings allowable will further ease inequities inherent in the base-period concept of the original program. This change assures that American companies will not have investment quotas less than an amount equal to 30% of the 1968 earnings of their foreign affiliates.

For the present, it was announced, there will be no change in the classification of foreign countries into three separate schedules for companies which invest under the historical 1965-66 base period

quota or the 30% earnings allowable.

The 30% earnings concept may also be used by investors who elect to retain their historical base period quotas but who wish to rearrange a portion of their quotas among the three schedules.

Thus, it was noted, the 30% concept will benefit American companies whose 1965-66 historical investment quotas were low in relation to their foreign earnings, or companies whose historical quotas were large but unevenly apportioned among the schedules.

A new proposal for dealing with exploration and development costs of the extractive industries has been prepared after a review of the written comments received by OFDI in response to regulations proposed in 1968.

The revised policy in essence puts companies on the same footing regardless of whether they capitalize or expense exploration costs and provides fairer treatment with regard to development costs. Because accepted accounting practices used by these industries vary considerably, some companies were placed at a disadvantage under the old regulations.

Exploration and development costs which are expensed in 1969 will be charged against 1969 investment quotas, and amortization charges from previously capitalized expenditures will not be deductible from earnings. However, the 1965-66 historical base period and the 30% earnings quotas will be adjusted so that companies which expensed or capitalized exploration costs in prior years will be put on the same adjusted basis.

Companies will then be permitted to increase their adjusted quotas by the amount of their exploration costs (whether expensed or capitalized) in 1967 or 1968, whichever is higher, and by the amount of their expensed development costs in the higher of those two years.

Aids small firms

This policy for the extractive industries is designed to provide fairer treatment of companies. In addition, a review of 1968 applications for relief from companies in these industries indicates that the $1 million minimum investment allowable will provide leeway to small companies with limited prior overseas experience.

After consultation with the airlines industry, a formula for computing earnings from international routes was derived so that U.S. flag carriers can benefit from the use of a 30% earnings concept. The proposal is compatible with accounting practices used by the airlines and required by the Civil Aeronautics Board, and is based on net operating revenues derived from international and territorial operations.

Action in six key areas

A program of "fundamental economics" that will attack the inflation that has slowed U.S. export expansion while drawing a flood of imports, and that will end the kind of trade controls that are "self-defeating in the long run" has been announced by President Nixon. It includes sustained effort in six key areas. In the words of his Apr. 4 statement:

► In export expansion, we have tentatively set an export goal of $50 billion to be achieved by 1973. This compares with 1968 exports of about $34 billion. This is primarily the task of American private enterprise, but government must help to coordinate the effort and offer assistance and encouragement. We must also call on the productivity and ingenuity of American industry to meet the competitive challenge of imported goods.

► In trade policies, we will be working with our major trading partners abroad to insure that our products receive a fair competitive reception.

► In defense activities, we will also work with our friends abroad to insure that the balance of payments burden of providing for the common defense is shared fairly.

► In travel, we will encourage more foreign travel to the United States. Here, as in other areas, we will be relying heavily on the support of the private community. We seek no restrictions on the American tourist's freedom to travel.

► In international investment, we will review our own regulations and tax policy to assure that foreign investment in the U.S. is not discouraged; for example, we should move now to eliminate from our laws the prospective taxation of interest on foreign-held bank deposits.

► In the international financial area, we will be continuing to work with our friends abroad to strengthen and improve the international monetary system. An expanding world economy will require growing levels of trade with adequate levels of reserves, and effective methods by which countries can adjust their payments imbalances. In particular, we look forward to ratification by the International Monetary Fund members of the Special Drawing Rights plan and its early activation.

Air carriers will be allowed to use their 30% earnings quota on a global basis, without regard to the three geographical schedules. This change is particularly important for U.S. flag carriers which plan to expand their overseas facilities to accommodate the new "jumbo" jets.

Investments by U.S. airlines not related to foreign air transportation will be governed by the general regulations. However, the historical 1965-66 base period or the 30% earnings quota arising from non-airlines investments may be used for foreign air transportation purposes if desired.

Secretary Stans said that the changes he announced "are designed to alleviate many of the most pressing problems created by the program. In addition, at my direction, the Office of Foreign Direct Investments has begun to explore in detail other ways to simplify the program. The Office will also study and prepare further relaxation measures to be recommended to the President as balance of payments permit.

"I am in the process of appointing a top level committee from the business and financial community to assist in the consideration of all matters relating to control of foreign direct investments."

He also said that the Administration will keep under "continuous review" further steps to phase out direct investment controls. The small balance of payments surplus of $158 million in 1968, on the liquidity basis, was due largely to special, transitory circumstances, which tended to cloak certain fundamental weaknesses, he noted.

He declared: "We must expect a deficit in our overall balance of payments in 1969 unless there is a reversal in last year's sharp deterioration in the trade balance. The poor 1968 trade performance was due to an increase of 23% in imports rather than an unsatisfactory export performance. Last year, U.S. exports rose over 9%. The Office of Foreign Direct Investments will continue its policy of giving relief to any company which demonstrates that exports from the United States would be adversely affected by the direct investment program."

Noting that the Cabinet Committee on Export Expansion has been reactivated. Secretary Stans reminded that he is leading a delegation to Europe in April to discuss trade matters. The Cabinet Commit-

tee is proceeding on a priority basis to develop measures to increase U.S. exports materially during 1969 with a goal of $50 billion in 1973.

Regulations reflecting the new policies of the direct investment control program will be published in proposed form this month. Interested persons will be invited to offer their comments or suggestions in writing during the usual 30-day period.

The Board of Governors of the Federal Reserve System issued revised 1969 guidelines, effective Apr. 4, covering foreign credits and investments by U.S. banks and other financial institutions. The revisions represented a modification of earlier announced guidelines, and were designed to permit additional flexibility to finance U.S. exports and to resolve some serious equity problems.

Under the revised guidelines, a bank will either retain its present ceiling on foreign lending or adopt a new ceiling equal to 1½% of its total assets as of Dec. 31, 1968. This formula will permit a modest increase of $400 million in the foreign lending ceilings for banks which stood at $9.7 billion at the end of last year.

For nonbank financial institutions—such as insurance companies, mutual funds, finance companies and bank trust departments—the ceiling on foreign assets will be restored to 100% of the end-of-1967 base. The ceiling had earlier been continued at 95% of that base for the current year. This modification—designed primarily to simplify administration of the program—will increase the ceiling for nonbank financial institutions by an estimated $40 million during 1969. At the end of last year investments by nonbank financial institutions covered by the guidelines amounted to $1.4 billion.

Federal Reserve Governor Andrew F. Brimmer, who administers the program, said the banks had an unused leeway of $475 million at the end of 1968. Thus the revision would potentially allow banks to increase their existing level of credits to foreigners by about $875 million. It is expected that the full potential will not be used, and a substantial leeway will continue to be maintained.

Furthermore, the potential increase, it is believed, will be lessened slightly as bank ceilings continue to be progressively reduced by the amount of repayments of term loans to residents of developed countries of continental Western Europe.

The program has been in force since February 1965 and was last revised in December of last year when guidelines for 1969 were issued. In considering the program at that time, the Board concluded that the balance of payments prospects for 1969 did not permit any basic change in VFCR. Yet, in view of the need to improve the trade balance, the Board held regional meetings to re-examine the program early this year, to determine whether additional flexibility for financing U.S. exports might be provided.

Brimmer said it became apparent as the regional meetings progressed that some additional flexibility in the guidelines was needed to finance U.S. exports and to reduce inequities among banks of different size inherent in the voluntary restraint program. The financing of U.S. exports under the program refers to credits extended by the banks to foreigners to finance purchases from the United States. The program does not affect credits to American producers and exporters to finance U.S. exports.

Under the guidelines issued last Dec. 23, the 1969 ceiling on foreign credit extensions by banks remained at the level specified in the guidelines, as adjusted, of one year earlier. For about one-half of the approximately 160 reporting banks (accounting for more than 90% of the aggregate ceiling), this was essentially 103% of the 1964 base. For the remainder of the reporting banks, the ceiling was the 1967 ceiling plus one-third of the difference between that amount and 2% of total assets as of Dec. 31, 1966.

Text of President's Order modifying equalization tax

The following is the text of President Nixon's Executive Order modifying the rates of the Interest Equalization Tax:

WHEREAS, I have determined that the rates of tax prescribed under section 1 of Executive Order No. 11368, dated Aug. 28, 1967, with respect to acquisitions of stocks of foreign issuers and debt obligation of foreign obligors made after Aug. 29, 1967, are higher than the rates of tax necessary to limit the acquisitions by United States persons of stock of foreign issuers and debt obligations of foreign obligors within a range consistent with the balance-of-payments objectives of the United States;

NOW, THEREFORE, by virtue of the authority vested in me by section 4911(b)(2) of the Internal Revenue Code of 1954, and as President of the United States, it is hereby ordered as follows:

SECTION 1. Section 1 of Executive Order No. 11368, dated Aug. 29, 1967, is hereby amended to read as follows:

"SECTION 1. Rates of Tax.

"(a) *Rates applicable to acquisitions of stock.* The tax imposed by section 4911 of the Internal Revenue Code of 1954 on the acquisition of stock shall be equal to 11.25% of the actual value of the stock.

"(b) *Rates applicable to acquisitions of debt obligations.* The tax imposed by section 4911 of the Internal Revenue Code of 1954 on the acquisition of a debt obligation shall be equal to a percentage of the actul value of the debt obligation measured by the period remaining to its maturity and determined in accordance with the following table [NOTE: arranged here in paragraph form]:

If the period remaining to maturity is: The tax, as a percentage of actual value, is:

At least 1 year, but less than 1¼ years, 0.79%. At least 1¼ years, but less than 1½ years, 0.98%. At least 1½ years, but less than 1¾ years, 1.13%. At least 1¾ years, but less than 2¼ years, 1.39%. At least 2¼ years, but less than 2¾ years, 1.73%. At least 2¾ years, but less than 3½ years, 2.06%. At least 3½ years, but less than 4½ years, 2.66%. At least 4½ years, but less than 5½ years, 3.26%. At least 5½ years, but less than 6½ years, 3.83%. At least 6½ years, but less than 7½ years, 4.35%.

At least 7½ years, but less than 8½ years, 4.88%. At least 8½ years, but less than 9½ years, 5.33%. At least 9½ years, but less than 10½ years, 5.78%. At least 10½ years, but less than 11½ years, 6.23%. At least 11½ years, but less than 13½ years, 6.83%. At least 13½ years, but less than 16½ years, 7.73%. At least 16½ years, but less than 18½ years, 8.51%. At least 18½ years, but less than 21½ years, 9.19%. At least 21½ years, but less than 23½ years, 9.79%. At least 23½ years, but less than 26½ years, 10.31%. At least 26½ years, but less than 28½ years, 10.76%. 28½ years or more, 11.25%.

SECTION 2. With respect to acquisitions of stock of foreign issuers and debt obligations of foreign obligors made under the rules of a national securities exchange registered with the Securities and Exchange Commission or under the rules of the National Association of Securities Dealers, Inc., this order shall be effective for acquisitions made after April 4, 1969, but only if the trade-date was after April 4, 1969. In the case of other acquisitions of stock of foreign issuers and debt obligations of foreign obligors, this order shall be effective for acquisitions made after April 4, 1969.

Trade conference at New Orleans honors Mississippi

Japanese businessmen are special guests, will participate in panel

The 24th Mississippi Valley World Trade Conference, scheduled for Apr. 20-22 in New Orleans, will honor the state of Mississippi, and feature as special guests a group of Japanese businessmen. Governor John Bell Williams, heading the Mississippi delegation, will be the keynote speaker.

The conference will coincide with the New Orleans World Trade Exposition Apr. 18-22, which has attracted some 250 exhibitors. Sponsors of the exposition, in addition to the conference, include the Young Men's Business Club of Greater New Orleans and the Board of Commissioners of the Port of New Orleans.

The conference is being held at the Roosevelt Hotel, while the exposition is at the Rivergate, the Port of New Orleans Exposition Center.

A highlight of the conference will be the visit of nine Japanese businessmen who are touring the Southern part of the United States. Masao Anzai, chairman of Showa Denko, a leading Japanese chemical manufacturer, will head the group and also speak on U.S.-Japanese Trade Development at the April 22 conference session.

On Monday a panel consisting of the director of the Agricultural and Industrial Board, a banker, a farmer, a manufacturer, and the director of the Gulfport State Port Authority, all from Mississippi, will discuss the role of international trade in Mississippi's economy.

An afternoon panel discussion will concentrate on various techniques for increasing world trade.

Panelists are: Raymond A. Wolff, president of Wolff International Inc. of Milwaukee; Oswald Schindler, president of the Cleveland Overseas Corp.; Donald L. Porth, executive vice president of Culligan, Inc.; and Leslie Storyk, president of the American Institute for Imported Steel.

Tuesday a panel of the Japanese businessmen will consider trade between Japan and the South—what Japan can purchase from the United States, what the United States can purchase from Japan, in heavy industry, petrochemicals, the electronics industry, and in iron and steel.

A final panel discussion will deal with remedies for existing ills in foreign trade expansion. Members of the panel are: R. L. Beukenkamp, coordinator of export service for the Foreign Agricultural Service, U.S. Department of Agriculture; Richard Butwell, director of the Business Council for International Understanding, American University, Washington, D.C.; and Fred Muller, Jr., of Fred Muller, Jr. & Associates, transportation consultants, Millburn, N.J.

Padrick to head Field Services

Jack Omega Padrick, a 39-year-old lawyer with extensive experience in the international business field, has been named to head the Commerce Department's Office of Field Services.

PADRICK

The Office of Field Services is the agency that brings the domestic and international services of the Commerce Department to the nation's businessmen through 42 Field Offices in key cities in the United States and Puerto Rico.

Padrick, a native of the State of Washington, most recently served as President and General Counsel of Nassau International, Inc., an overseas investment company.

Previously, Padrick practiced corporate and administrative law, including service in the Legal Section of the Civil Aeronautics Board. He served from 1954 to 1956 in the Office of the Judge Advocate General of the U.S. Air Force, and was discharged with the rank of first lieutenant.

Padrick was born in Chehalis, Wash., and was graduated cum laude from Washington State University. He received his law degree from George Washington University, and did post graduate work at McGill University's Institute of International Air Law and the Harvard Graduate School of Business.

International Chamber forms consultative group

In a move to improve relations between United Nations agencies and the world business community, a special consultative committee has been established by the International Chamber of Commerce. Members of the committee are sixteen leading world businessmen from private industry in fourteen countries. Representing the United States is Donald F. Meads, chairman and chief executive officer of the International Basic Economy Corp.

The purpose of the new group, which will consult with directors of United Nations Economic Agencies and the General Agreement on Tariffs and Trade (GATT), is to provide a forum for the exchange of views on overall economic and monetary problems. Its first meeting is planned for next fall in Paris.

Members of the committee are expected to discuss such topics as international production, formulation of a development strategy for the 1970's, balance-of-payments and liquidity problems, transfer of technology, suppliers' credits, tax reform, investment guarantees, various forms of development financing, and important aspects of the role and conditions of foreign private investment in developing countries.

The top level businessmen will serve on a rotation basis so that over a period of time businessmen from as many countries as possible will be able to participate.

Countries represented on the committee are: Italy, India, Brazil, France, Canada, Morocco, Sweden, the United States, the United Kingdom, Japan, West Germany, Pakistan, Venezuela, and the Netherlands.

AMA seminar to focus on operating in Australia

A seminar on Operating Profitably in Australia has been scheduled by the American Management Assn. for Apr. 21-23 at its New York headquarters.

Participating will be: Lionel N. Berck, president of Seaway Associates, Inc. of Ann Arbor, Mich.; Walter E. Cohn of Walter E. Cohn Assoc., New York City; Peter B. Powles, partner of Baker & McKenzie, Chicago; A. D. Barrett of General Foods International; Raymond A. Kathe, vice president of First National City Bank of New York; and Frank E. Rule, official representative of the New South Wales Government in North America.

Hot sales prospects seen in U.K. for latest U.S. thermal instruments designed for British industries

London Trade Center show will help U.S. exporters cash in on new expansion in chemicals, metals, glass, various scientific fields

Continued industrial expansion in the United Kingdom is creating a growing demand for thermal instruments in a variety of industries.

To help U.S. manufacturers increase sales of these products in Britain, the Commerce Department will sponsor a thermal instruments exhibition at the U.S. Trade Center in London, Sept. 22-26.

The United Kingdom market for thermal instruments covered in Commerce market reseach was estimated at $50 million in 1968 and is projected to increase by about 10% in 1969. The growth rate will be even stronger for technologically advanced products.

The U.K. is the third largest importing nation in the world. Imports from the U.S. totaled $2.6 billion in 1968, or 13.4% of Britain's total imports. Projections call for U.S. sales to Britain to rise by at least 5% in 1969.

Market research shows British production of thermal instruments is lacking in technological refinements available in American products. The study also notes a desire among British industrialists for advice from the manufacturer in the application of complex monitoring and control systems.

The London exhibit will be aimed at industries that are the major users of thermal instruments:

The chemical and petrochemical industries require practically all available thermal instruments for use in research, product development, processing and quality control. Special needs include continuous boiling point analyzers, surface thermocouples, and thermal analyzer systems.

Instruments of special interest to the ceramics and glass industries include heat flux indicators for monitoring kilns, automatic controls, and thermogravimetric analyzers.

Products in demand in the plastic and rubber industry include noncontact temperature controllers, differential thermal analyzers, and thermal recorders and alarm systems.

Metal processing industries want new developments in remote control pyrometers and automatic thermocouples, instruments for testing high temperature alloys, and simpler methods of measuring and controlling "on line" temperature in cold and hot mills.

Aircraft and automotive markets are interested in more highly advanced instruments than now in use for materials testing, product development, inspection, and quality control.

Nationalized industry and government sponsored research groups in the earth sciences have special needs for bathythermographic systems, thermistors for meteorological applications, and remote temperature sensors for airfield surveillance.

Commerce will conduct a broad market development campaign to attract management personnel and others in the areas of research, product development, processing inspection, and quality control to the London show.

Participation in similar Commerce-sponsored shows has meant more export sales for U.S. makers of thermal instruments. Twenty-nine exhibitors in an environmental test equipment exhibit at the London Center in September 1967 confirmed sales of $650,000 as a result of their participation and signed 13 agents for continuing representation of their products in Britain.

At the U.S. Trade Center in Tokyo last November, 25 U.S. firms made off-the-floor sales of $103,000 and projected one year sales of over $1.5 million from their display of environmental test products. In May 1968, 62 participants in the Commerce Department entry in London's International Instruments, Electronics and Automation Exhibition, netted $1,339,055 at the show and predicted sales of over $7.5 million within a year.

U.S. manufacturers of thermal instruments interested in displaying their products in the upcoming London Trade Center exhibition may obtain additional information from the U.S. Department of Commerce (BIC-942), Washington, D.C. 20230 (telephone: Area Code 202, 967-3849) or from any of the Department's Field Offices.

U.S. exhibitions in U.K. set

Seven U.S. Trade Center shows and one exhibition at a major international trade fair are on the Commerce Department's schedule for the United Kingdom for the remainder of this year.

In addition to the thermal instruments show announced on this page, the U.S. Trade Center in London will hold five other week-long trade exhibitions later this year.

Now running, from Apr. 14-18, is a show of U.S.-made fluidic equipment and advanced switching devices, and later this month an exhibition of American metalworking and welding equipment will be held at the London International Engineering and Marine Exhibition scheduled to be held at the Olympia exhibition hall, Apr. 22-30.

Shows still open for participation by interested U.S. companies include an industrial fasteners and adhesives exhibition at the Trade Center, May 14-21, and a marine equipment display, set for June 11-18. The fall season will feature the thermal equipment show described above, as well as a dynamics test equipment exhibition to be held Nov. 10-14. "Metallurgy '70," a show of the latest U.S. products for metals processing, will round out the London Trade Center schedule for this year on Dec. 8-12.

For further information on any of the shows in the United Kingdom, write: Commercial Exhibitions Program (BIC-938), U.S. Department of Commerce, Washington, D.C. 20230.

U.S. photo equipment exhibit draws 2,000 Japanese buyers

First-year sales of $1.4 million forecast by 20 U.S. exhibitors

Braving the city's heaviest snowstorm in many years, some 2,000 trade representatives came to the U.S. Trade Center in Tokyo to see the latest in U.S. industrial and scientific photographic equipment, shown there Feb. 24-Mar. 1.

Japanese trade and general press had been giving extensive coverage to the exhibition for more than eight weeks prior to the opening of the show, since photography is a popular subject with most Japanese, and by show time 33 articles had appeared in various publications, including a 19-page special section in an influential trade journal, appearing just a week before the show.

Twenty exhibitors representing 29 U.S. makers of advanced photo equipment made $136,698 in off-the-floor sales, and predicted that their results during the first year after the show would reach an additional $1.4 million.

Many new to market

Thirteen of the companies represented in the exhibition were either new to exporting entirely or new at the Japan market. Six of these were actively seeking agents or distributors in Japan, and by the end of the show, four new agreements had been signed, with an additional five under negotiation.

Nord Photo Engineering, one of the companies entering the Japanese market for the first time, sold $6,500 worth of equipment at the show, and predicted $25,000 in first year business, but pointed out that the latter figure was the entire productive capacity Nord could turn out of the product shown. A company official said that actual sales potential was closer to $200-$300,000, and he hoped that Nord could increase its production to fill part or all of this demand.

"We not only found a new market for our product, a new variety of movie projectors, but also discovered new customer requirements for our equipment." reported Technicolor, Inc.'s representative at the show. Technicolor predicted that sales of $400,000 during the next year would follow their $30,000 sales record at the show itself.

DRY-MOUNTING PRESS by Seal, Inc., (above) was among the exhibits that attracted some 2,000 Japanese visitors, as was special photo processing equipment and accessories shown (below) by Morse.

DISTINGUISHED VISITOR to the Tokyo exhibition was president Wassaichi Nagata of the Motion Picture and Television Engineering Society of Japan (below center), looking over the equipment shown by TRW at the show. David L. Osborn of the U.S. Embassy is at left, with company officials at right.

EXHIBITION BRIEFS *WORLDWIDE*

INTERNATIONAL HOTEL AND RESTAURANT FAIR, "HORECAVA," AMSTERDAM, NETHERLANDS, Jan. 6-9. 350 exhibitors, up from 325 in the 1968 edition. 80 U.S. companies took part this year. Attendance, limited to the hotel, restaurant, institutional, and catering trades only, was over 52,000, down slightly from 1968. Reaction of exhibitors showing U.S. goods was that HORECAVA results were entirely satisfactory. Best sales bets for U.S. products reported as machinery and equipment for institutional use, and specialty food products. Next fair, Jan. 5-8, 1970.

INTERNATIONAL BOAT SHOW, HAMBURG, GERMANY, Jan. 23-29. Nearly 450 exhibitors from 16 countries. 18 U.S. exhibitors among the 120 foreign participants. Record attendance of over 155,000, up by more than 5,000 from 1968 show. Participants very satisfied with business results. U.S. boats and equipment sold well, including houseboats, motors, and small craft. Over half the exhibitors at this year's fair have already signed up for the next edition, scheduled for Jan. 23-Feb. 1, 1970.

INTERNATIONAL HOUSEWARES AND HARDWARE FAIR, COLOGNE, GERMANY, Feb. 20-23. 2,179 exhibitors from 29 nations, including 747 from outside Germany. 51 American firms represented. Attendance 58,000 from 69 countries, strictly limited to the hardware and housewares trades. Nearly 12,500 trade visitors from outside Germany. Sales opportunities reported as good for cutlery and flatware, and plastic housewares, as well as advanced types of hand tools and power tools for home craftsmen. Next fair, February 1970.

INTERNATIONAL CONSTRUCTION MACHINERY FAIR, "BAUMA," MUNICH, GERMANY, Mar. 1-9. 764 participating exhibitors from 20 countries, including 162 foreign firms. 26 American manufacturers represented by German agents, subsidiaries, or importers. Attendance reached a record 122,000, 20% of whom came from 49 countries other than Germany. U.S. exhibitors consider their best sales fields to be major construction and earthmoving equipment, with fierce competition in small- and medium-sized machinery from German and other producers. Sales results generally better than at the 1967 BAUMA, despite increased competition. Next fair, Spring 1971.

Display space still available for interested U.S. companies at Frankfurt paint exhibition

Space is still available for U.S. exhibitors to show their products in "Paint and Varnish '69," planned for Frankfurt, Germany, Oct. 16-19, and U.S. manufacturers of items associated with the paint field have been invited to participate.

A conference of German painters will take place during the show, and special displays of painting craft work will be displayed, both for the trade and the general public.

Among the product categories considered suitable for showing are: paints and varnishes, lacquers, wood preservatives, and special protective coatings. Also in demand are polishing agents, abrasives, adhesives, decorative materials, wallpaper, floor coverings, spray painting equipment, compressors, brushes and rollers, ladders, and rugs and capets.

U.S.-made paints and supplies are in great demand by German contractors doing work for American military installations in that country, and sales prospects for U.S. manufacturers are said to be good.

Write: Messe- und Asstellungs, G.m.b.H., 6 Frankfurt 97, Postfach 970126, Germany.

Forestry and wood congress, exhibition set for nine-day run in Munich in June, 1970

The Munich Trade Fair Organization has announced an International Forestry and Wood Congress and Exhibition, scheduled for June 6-14, 1970 in the Bavarian capital.

The American representative for the Munich Fair has reported that the nine-day event will cover virtually all areas of forestry, lumber production, and wood technology. Also featured will be special exhibitions devoted to flood and avalanche control, transportation of wood in normally inaccessible areas, forest roadway management, and research in the use of wood.

Large operating equipment will be displayed outside the five exhibition halls to be devoted to the main exhibition. Equipment and supplies for logging, timber harvesting, and maintenance, as well as saw mill equipment will be shown in this area.

For further information on the fair, **write:** Gerald G. Kallman Associates, 30 Journal Sq., Jersey City, N.J. 07306.

South Africa schedules fair for air-conditioning, heating

South African Exhibition Organizers has announced a specialized trade exhibition of equipment and materials for air-conditioning, heating, cooling, ventilation, refrigeration, dust extraction, air filtering and air pollution control. To be called AIREX '69, the show will be held Sept. 22-27 at Milner Park, Johannesburg. Other products which may be shown at this exhibition are pumps, valves, piping and fittings, thermal insulation and fans.

It is anticipated that visitors to AIREX '69 will include electrical, mechanical, and civil consulting engineers, architects, building contractors, mining engineers, and government and municipal authorities.

Write: South African Exhibition Organizers, (Pty.), Ltd., P.O. Box 2900, Johannesburg, South Africa.

FIRATO electronics fair set for autumn in Amsterdam

The 16th International Electronics Exhibition, FIRATO '69, will be held in the RAI Exhibition Center, Amsterdam, from Sept. 19-28 this year, and U.S. companies have been invited to participate by the fair organizers, RAI Gebouw, N.V.

FIRATO is held every two years, and is said to be the most important show of its kind held in The Netherlands. Over 220,000 visitors attended the 1967 edition, viewing the products of more than 1,000 firms from a number of exhibiting countries.

U.S. commercial officers in The Netherlands recommend FIRATO '69 as an excellent medium to promote sales of American consumer electronics products, with the exception of television sets, through local import representatives and agents.

Write: RAI Gebouw, N.V., 8 Europaplein, Amsterdam, The Netherlands.

Berlin youth fair postponed

The Ausstellungs-Dienst-Berlin has announced the indefinite postponement of KICKS, the international youth fair which had been scheduled for this May 2-11. The action marks the second postponement of the show, which had originally been set for July 1968.

When a decision is made on new dates for KICKS, INTERNATIONAL COMMERCE will publish the information.

WINDOW DISPLAYS on a main thoroughfare in downtown Nairobi are used for exhibits of U.S.-made consumer goods sent by firms seeking agents in the Nairobi Sample Display Center market area.

Sample Display Center in Nairobi finds African sales opportunities for six more U.S. manufacturers

Year-end exhibition drew local agents, distributors to see products of U.S. companies seeking new representatives

Six U.S. manufacturers of goods ranging from automotive anti-theft devices to plastic films found promising sales prospects for their products in Kenya and surrounding African countries during a special exhibition held at the Nairobi Sample Display Center last Nov. 25 through Jan. 13.

As usual for all Nairobi sample displays, the exhibition was announced to East African businessmen through the commercial newsletter published each month by the American Embassy in Nairobi. The newsletter is mailed to more that 1,100 business concerns throughout Kenya, Tanzania, and Uganda.

In addition, personal invitations are sent out to the local buyers most likely to be interested in representing a particular U.S. manufacturer.

Pacific Machine Manufacturing Co. sent one of their 'Machete by Jollyhoe" model tillers for showing at the Sample Display Center, and U.S. commercial officers in Kenya sent out invitations to 12 companies in the area dealing in agricultural equipment, as well as to the Kenya Ministry of Agriculture and Animal Husbandry.

The result was a request from one of the distributors contacted for a demonstration of the machine in actual use. The local dealer expressed great interest in representing the Pacific line of agricultural equipment, if the test should prove satisfactory.

Thirteen African firms dealing in automobiles, spare parts, and accessories were invited to see the Taroda Industries, Inc., display of "Steal 'n' Stall" auto anti-theft devices. Two local firms expressed great interest in the units on display, and two others also expressed interest in acting as agent for the U.S. company.

Officials at the Nairobi Sample Display Center point out that car thefts have been rising rapidly in Uganda recently, and sales possibilities for systems such as the Taroda one appear to be very good.

Spray Master Corp. found two local agents eager to sign up as representative for the U.S. firm's line of aerosol products for domestic, commercial, and industrial use. Visitors to the display at Nairobi felt that the local manufacturers of aerosol disinfectant meet demand adequately, but that other aerosol products has excellent market possibilities.

Detergents among displays

Industrial and institutional detergent products were shown by Fuld Bros. during the year-end exhibition, and four local dealers appeared to be the most promising prospects to represent Fuld in East Africa. Products such as those shown are in great demand in Kenya, and at least one other similar U.S. product line has successfully entered the market.

Ply-Art Corp., a U.S. maker of dyed and metalized polyester film and laminated materials for embossing patterns and designs, also took part in the show. U.S. commercial officers discussed Ply-Art's business representation proposals with three interested applicants, and negotiations are continuing between Ply-Art and these firms.

Agricultural disinfectants, cleaners, and cattle tick control concentrates were among the products in the Delta Chemical Laboratories' display, and one local businessman asked to handle the company's lines.

Recent recommendations from the Embassy at Nairobi as to the types of U.S. products which may be successfully displayed at the Sample Display Center include stationery, glassware, watches and clocks, hand tools, and costume jewelry.

Use of the Center at Nairobi, as well as the facilities at Bangkok and Beirut, are available free of charge to U.S. firms not represented in these country markets.

U.S. commercial staffs in these countries promote the displays extensively among local businessmen, and man the Center to discuss business proposals with visitors to the showings.

For further information on these Sample Display Centers, **write:** Sample Displays, BIC-918, U.S. Department of Commerce, Washington, D.C. 20230.

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CURRENT BUSINESS DEVELOPMENTS IN BRIEF: The **French** industrial production index rose to 177.5 in January (1959 = 100), an increase of 0.3% over December, or 11% over January 1968. The three-month moving averages were 164 for July-Aug.-Sept.; 167 for Aug.-Sept.-Oct.; 171.5 for Sept.-Oct.-Nov.; 175 for Oct.-Nov.-Dec.; and 177 for Nov.-Dec.-Jan. The data are seasonally adjusted and exclude construction and public works. . . . The American Motors Corp., of Detroit, has concluded an agreement with Peter Lindner G.m.b.H. & Co. K.G., of Frankfurt/Main according to which the **German** company will be exclusive importer of AMC cars into Germany. AMC is offering seven of its models on the German market, including the "Javelin" sports car which is assembled by Karmann-Rheine G.m.b.H., manufacturers of the Volkswagen Karmann Ghia cars. . . . The **Spanish** Nuclear Energy Board has announced the forthcoming construction of a uranium concentrates plant to be located near Ciudad Rodrigo in the Province of Salamanca. The plant's annual capacity will be about 450 tons; it will be built and managed by the National Institute of Industry (INI) in collaboration with the Nuclear Energy Board.

Denmark earns 'giant' tag

Small nation stands astride Europe in its production and standard of living percentages

By ROBERT A. BROWN
Commercial Attache, U.S. Embassy, Copenhagen

Denmark, the Little Giant of the North? A contradition in terms? There is no reason to deny the figure "giant" to Denmark if we consider other aspects than area or population, where there are about as many Danes as Philadelphians and they live in an area half as big as Maine.

In order to get a better indication of the real size of Denmark—its economic viability and depth of market, we should judge it on an economic basis rather than in terms of area and population.

Perhaps the best way to illuminate the scope of Denmark's economy is to compare it with three of the best known giants of Europe: The United Kingdom, France, and West Germany. Let us see how Denmark compares by first looking at the standard of living as represented by per capita GNP. In 1967, Denmark's per capital GNP was $2,380 while the United Kingdom's was $1,980, France's $2,190 and West Germany's $2,030.

In the amount of discretionary purchasing power available on a per capita basis, Danish citizens had approximately $1,448 in 1966, while the United Kingdom, France and West Germany had $1,221, $1,307, and $1,143, respectively.

Denmark has approximately 170 passenger cars per 1000 inhabitants, while the U.K. has 173, France 199, and West Germany 178. There are 294 telephones per 1000 Danes, while the U.K. has 207, France 132, and West Germany 159.

Creature comforts are another method of determining standard of living and market potential, and in this regard Denmark has a higher per capita usage than either France or West Germany. For example, as of January 1967 there were 238 TV sets per 1000 Danes as compared to 253 per 1000 British; but only 151 per 1000 French and 213 per 1000 West Germans. The comparable U.S. figure was 381.

Further into the appliance field we find that 79% of Danish households in 1966 had refrigerators, while only 47% had them in the United Kingdom; 64% in France and 70% in West Germany. Fourteen percent of these same households in Denmark had freezers, while only 4% had them in the United Kingdom and 3% in West Germany. No figures are available for France.

Appliances are widespread

Ninety-one percent of Danish households had vacuum cleaners in 1966, while 80% had them in the United Kingdom, 47% in France, and 78% in West Germany. Smaller appliances like electric mixers and toasters were found in 29% of the Danish households, but in the United Kingdom only 14% had them while 31% of those in West Germany were so equipped. No figures are available for France.

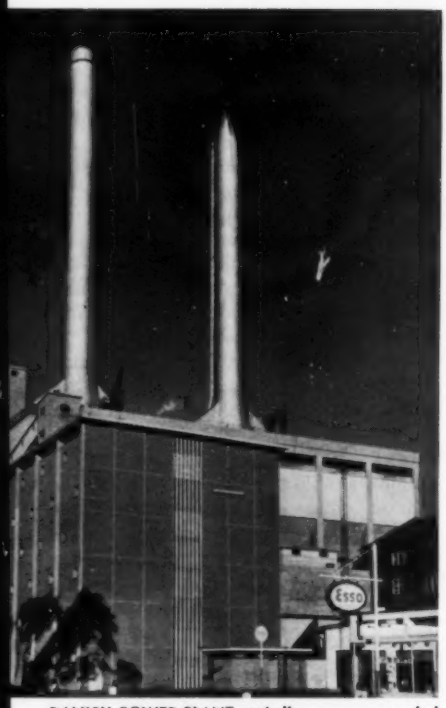
These statistics indicate that this country of less than five million people has achieved a standard of living far above that which would normally be expected of so small a unit. Because of the time lag in collecting statistics, the figures quoted above represent Denmark as of approximately two years ago and the advances since only add to the dimensions of the economy. If anything, the improvement in Denmark's internal situation has been relatively greater than expected.

For example, one of the most important features of the Danish economy in 1968 was the continuing stability of the price level. Even with a 7.9% devaluation in November 1967, the cost of living has reached a plateau. Where previously the inflationary trend had been about 7% a year, it leveled off at approximately 2% during the first six months of 1968 and 0.7% during the last six months.

Industry has taken full advantage of the situation, and exports in 1968 increased considerably over 1967. In fact, the industrialization of the Danish economy has now reached the point where 60% of Danish exports are based on manufacture, even excluding industrially processed farm products.

The Danish market is a free one except for limited import restrictions on agricultural products: therefore, competition is extremely sharp. Imports of industrial goods from EFTA countries come in free of customs duties, thereby finding a favored position in many fields and increasing competition. However, the Danes are quality-minded, and their buying habits reflect this standard.

Denmark's major trading partners are the United Kingdom, West Germany, and Sweden. The United States is number four. The bulk of all exports and imports are exchanged with these countries and the total amount of trade for



DANISH POWER PLANT at Aalborg was expanded with funds from World Bank, which is also financing other thermal projects. (World Bank photo.)

1968 was approximately $5.75 billion, of which approximately $3.25 billion represented imports and $2.5 billion exports.

In 1967, approximately 20% of Denmark's imports came from West Germany, while about 15% came from Sweden and 14% originated in the United Kingdom. The U.S. share was about 8.5%. Specific items which West Germany sells to Denmark include: machine tools for the metal working industry; pumps and centrifuges; electric power machinery; polymerized products; plastic articles; continuous synthetic fiber yarn; bleached cotton fabrics; domestic electric equipment; harvesting machines; telecommunications equipment; lifting and loading machines; and printing and binding machinery, product categories which accounted for at least $3 million each in Danish imports from Germany.

Sweden, Denmark's second most important supplier, sold at least $3 million worth of electric power machinery; textile clothes (not knit); plastic articles; lifting and loading machinery; electric power machinery; pumps and centrifuges; heating and cooling equipment; polymerized products; hand tools; switch gear; telecommunication equipment; and domestic electrical equipment; each category in an amount of $3 million or more.

The chief items in the $3 million or more category sent to Denmark from the United Kingdom were electric power machinery; textile clothes (not knit); women's outer wear (not knit); continuous synthetic fiber yarn; polymerized products; pumps and centrifuges and telecommunications equipment.

A close examination of these categories shows that none is peculiar to the United Kingdom, West Germany, or Sweden. Products unique to those countries have been left out, as have such items as automobiles, iron and steel, and aluminum. In other words, all the items listed could just as easily have come from the United States as from the three countries shown—yet the American share of the market in these categories averages approximately 4% or less. Why do the Danes buy these products from the United Kingdom, West Germany, and Sweden, and not from the United States?

There appear to be no insuperable obstacles to American companies increasing their share of the Danish market in these categories. Even though Denmark appears to be a small market, when it is studied in relation to the factors mentioned above, as well as to the particular products involved, there is every reason to expect a better potential than originally anticipated.

Swiss trade, at record levels in '68, should go even higher this year; U.S. import market share gained

Signs point to steady increases in sales of U.S. equipment tailored to Switzerland's highly specialized precision industries

By R. C. HUFFMAN
Commercial Attache, U.S. Embassy, Bern

Switzerland's exports provided an important contribution to the economy last year with foreign sales totaling $4,034.8 million, an increase of 14.4% over 1967.

Imports followed the upward trend more slowly, rising by 9.2% to $4,518.6 million, thus reducing the country's deficit in foreign trade to $482.7 million, the lowest since 1960.

With export sales to Switzerland amounting to $403.9 million in 1968 compared with $346.6 million in the previous year, the United States maintained fourth place among the top suppliers after the Fed. Rep. of Germany, France, and Italy.

U.S. exports up 16%

Unprecedented civil aircraft sales totaling $47.1 million, which represented 80% of the growth in U.S. shipments to Switzerland in 1968, helped the United States increase its exports by 16.6%, the highest country increase for last year. The U.S. share of the market reached 8.94% last year and averaged 8.6% in the six-year period up to 1968.

Aside from aircraft, significant increases were also achieved in such product categories as photographic films, business machines, construction machinery, plastics, canned vegetables and fruit, communications equipment, and tobacco.

The Swiss economy is expected to continue to move ahead in 1969, as was the case last year, and to show an increase in GNP of between 3 and 4% (3.6% in 1968). Imports may show an even higher rate of increase than the 9.2% noted for last year, while Swiss exports should expand, although at a slower rate than in 1968.

Construction should expand

Private and public consumption are expected to increase by about 3.5%. Recent increases in civil servants' and other wages as well as social security benefits should help increase consumer demand more rapidly than last year, when it rose by only 2.3%. A high rate of expansion is anticipated in the construction industry, where credits leaped by 24% in the first ten months of 1968. Industrial investment will move upward, but more moderately.

Productivity should improve further this year due to additional concentration on industrial rationalization, particularly in the chemical, metalworking, graphic arts, and watch industries.

In 1969, signs point to steady increases of U.S. sales of chemicals, business ma-

chines, and photographic films as well as opportunities for U.S. industrial process control instruments, sophisticated equipment tailored to the highly specialized Swiss precision industries; of equal interest will be new-to-market office supply and household items.

Chemical imports should be boosted by the expanded productivity and increasing exports (14.8% increase in 1968) of the Swiss chemical industry.

Severe competition

Due to the severe competition of West European countries and the establishment of an increasing number of U.S. production outlets in Europe, the market for U.S. machine tools has declined steadily. However, good opportunities exist for U.S.-origin sales of metalworking machinery, multiple station and transfer line systems, positioning and labor-saving devices and machine tool accessories.

Although U.S. sales of electronic measuring equipment and components declined in 1968, the sales prospects are good for this year for advanced control apparatus in the chemical, paper and textile industries. Excellent opportunities should exist for sales of advanced components, such as custom-integrated circuits, and for electronics for machine tool applications, an area where only about 20% of the market may have been tapped up to the present time.

Switzerland is the world's second largest per capita user of computers. This extensive use, pushed by tough competition among several U.S. subsidiaries in Switzerland and spurred by the tight labor market, is reflected in the steady growth of U.S. sales of business machines in the past few years, which should continue in 1969.

The annual increase of U.S. sales of photographic films and chemicals to Switzerland should be maintained at a rate of 10 to 15% until 1970 when supplies from U.S. affiliates established in EFTA countries will result in a leveling off of U.S.-origin sales.

The construction industry will show a further gain this year with the expectation that construction machinery sales may grow by as much as 10% in 1969. U.S. suppliers should have a share in these sales, especially for heavy duty equipment. Prospects for canned vegetables and fruits are good, depending on the delivery capability of U.S. packers. Florida's orange juices were successful newcomers on the foodstuff scene last year.

Under the Department of Commerce Export Market Identification Program it is likely that several in-depth assessments of U.S. sales prospects may be completed in 1969 in the fields of: data processing equipment, software and peripheral devices; production equipment for the electronics industry; materials handling; and food processing and food packaging machinery.

In the nuclear industrial field, excellent opportunities exist for sales of U.S. advanced equipment. Switzerland's electric power requirements are growing at a rate exceeding 5% a year. Since water resources will be exhausted over the long term, Swiss utilities firms acknowledge the fact that nuclear power plants are cheaper to build and to operate.

Nuclear plans

Five nuclear reactor stations are either under construction or will be built in the near future; at least one 600-900 megawatt plant will be constructed every two to three years after 1972. U.S. firms have a fine opportunity of supplying reactors and components, obtaining in each case at least 15 to 20% of the turnkey project, or as much as $10 million a year to 1972 and, no doubt, even more thereafter.

These aspects will be emphasized in NUCLEX '69, the Second Nuclear Industries Fair, to be held in Basel Oct. 6-11, in which the Department of Commerce will participate with about 50 U.S. firms. NUCLEX, however, will not only be confined to nuclear power generation but also will cover the full spectrum of nuclear physics technologies where sizable opportunities exist for advanced U.S. equipment.

Because of its central position in Europe, its liberal foreign trade policy, financial stability and highly developed economy, Switzerland offers an excellent opportunity for U.S. firms—both new-to-market and established companies—to bring their products to the attention of Swiss and other European buyers at international trade exhibits held in Switzerland. The following specialized exhibits are scheduled to be held in Basel and Zurich this year: May 29-June 4—Pro Aqua '69, International Water and Sewage Purification Exhibition, Basel; Sept. 9-13—Bufa, Office Equipment Show, Zurich; Oct. 6-11—NUCLEX '69, Nuclear Industries Fair, Basel; Nov. 13-19—Igeho, International Catering and Hotel Exhibition, Basel; and Nov. 19-25—International Fair for Surface Treatment, Basel.

For information concerning the above exhibits, **write:** Swiss Industries Fair, 4000 Basel 21; or Zuespa, Stadthof 11, Thurgauerstrasse 7, 8050 Zurich.

On the basis of trade opportunities generated through various means over the past several months, the Commercial Section's records indicate that the most sought after products in Switzerland include the following: electronic components; data processing equipment; industrial controls; electronic measuring and controlling instruments; medical instruments; communications equipment.

Also, advanced tools and machine tool accessories; power and pneumatic hand tools; food and chemical processing and packaging machinery; air-conditioning equipment; miscellaneous hardware; pharmaceuticals, cosmetics and toiletries.

There is also strong demand for paints and varnishes; lawn care tools and machinery; agricultural chemicals and seeds; canned foods; novelty and modern textile fabrics, draperies; men's and women's fashion clothing and sportswear; new-to-market office equipment and supplies; rubberware; cordless household appliances; photographic apparatus and supplies; sporting goods, swimming pool equipment; marine accessories; toys and games; and giftware.

Affirmative aspects

U.S. export sales to Switzerland are not expected to repeat the sharp rise noted in 1968. However, given a continuation of the upward movement in the economy this year, a tight labor market, high exports and comparatively low interest rates, a relatively high level of imports can be expected, particularly for capital goods aimed at increasing productivity.

The tight labor situation and rising incomes should also generate increased demand for a wide variety of consumer goods, ranging from labor-saving household appliances, do-it-yourself items and prepared foodstuffs to fashion clothing.

Swiss paper manufacturer wants to broaden its line through U.S. contact

A Swiss firm, specializing in the production of industrial papers and insulating materials, seeks to diversify its activities through licensing agreements with U.S. companies.

The Zurich concern is interested in making newly developed products suitable for production by a predominately female labor force. It has approximately 120 employees and operates a well equipped plant. The company could adapt its facilities or expand its plant to meet the requirements of new products.

Write: Mr. H. Lang, Textima AG, Zimmergasse 16, P.O. Box, 8032 Zurich, Switzerland. WTD. **P-69536.**

Yugoslavs in marked rise

Industrial modernization drive creates strong openings for sales of U.S. capital goods

The beginning of 1969 found the Yugoslav economy recovering rapidly from its 1966-67 stagnation. Industrial production is increasing at an 11% annual rate, and there is a marked upswing in productivity, according to the semi-annual Economic Trends Report from the U.S. Embassy in Belgrade. Accompanying increases in investments, living costs, and prices have prompted cautionary measures to cool off the economy.

Prospects for the sale of American capital equipment remain favorable, as the intensive modernization of Yugoslav industry continues. Particularly promising markets for U.S. goods will be found in export-oriented industries, which are favored by the Government when allocating foreign exchange for imports.

Yugoslav-U.S. trade

Trade between the United States and Yugoslavia was in virtual balance in 1968 with Yugoslav imports of $90.1 million and exports valued at $89.4 million. Thus, American exports to Yugoslavia declined by $34 million or 27% from the 1967 level while Yugoslav exports to the United States increased by $9 million or 11%.

In 1968 the United States accounted for about 6% of Yugoslavia's total trade, and remained in fourth place (behind Italy, Germany, and the USSR) among Yugoslavia's trading partners. Although trade figures by commodity are not yet available, reliable sources state that the decrease in American exports is due entirely to the reduced imports of agricultural products formerly supplied under the PL-480 program, while imports of non-agricultural commodities increased substantially.

Increased Yugoslav sales to the United States reflect increased purchases of electrolytic copper, canned meats, furniture, clothing, footwear and small motors by American purchasers.

During 1968 Yugoslav invisible earnings, led by tourism (up $37 million) and worker remittances, advanced strongly. Invisibles have again offset a large part of the 1968 convertible area trade deficit and they are expected to continue to increase at a good pace in 1969.

Final 1968 trade figures show Yugoslav exports of $1.26 billion (up 6% from 1967) and imports of $1.80 billion (up 5.2%). The resulting 1968 trade deficit of $540 million is 18% higher than the $456 million deficit of the previous year. The .6% export growth rate is the lowest in recent years (at current prices).

Share declines

The Yugoslavs ran a deficit in COMECON Communist Bloc trade of $55.6 million in 1968, or 10% of the total trade deficit. In 1967 Yugoslav-COMECON trade was virtually in balance. Thus, the COMECON deficit was a significant factor in the overall deficit increase registered in 1968. The COMECON share of Yugoslavia's foreign trade has steadily decreased in recent years, and now stands at 30%.

Exports of industrial products rose moderately by $56 million up to $1.05 billion, an increase of 5.6%. Especially sharp increases in industrial exports were registered in the fields of shipbuilding, chemicals, paper, textiles, and non-ferrous metals, while exports of tobacco, metal manufactures, and food processing were in decline.

However, this advance was largely wiped out by a substantial decrease of $51.5 million in agricultural exports, a decline of 21% from 1967 levels. Especially steep declines were noted in field crops (down $25.4 million or 35%) and meat and livestock (down $24.2 million or 16%). The decrease in meat and livestock exports is mainly due both to EEC import restrictions and an outbreak of hoof and mouth disease which caused many European nations to impose temporary bans on Yugoslav meat. Declines in exports of field crops largely reflect the high cost of Yugoslav corn on European and world markets.

The poor showing in 1968 reverses a six year trend of steadily increasing farm exports. Forestry exports in 1968 rose by $2.4 million, or 18%, thus reversing an adverse export trend in this sector.

On the import side the 5.2% increase, amounting to $89 million, largely reflected substantially increased purchases of industrial materials and products, especially of machinery and vehicles from the convertible area.

In 1968 Yugoslav industrial imports totaled $1.66 million or $141 million (16%) higher than in 1967 and $331 million (25%) higher than in 1966. Agricultural imports in 1968 declined by $54 million, or 29% from 1967 levels, the second consecutive year such a marked decline has occurred. Because of large existing stocks, particularly sharp decreases occurred in imports of wheat, sugar, and pork.

New trade regulations

During 1968 Yugoslav commercial policy manifested restrictive and protective tendencies, in contrast with the widespread liberalization which prevailed in 1967. However, long run adherence to reform goals of liberalized trade and ultimate convertibility of the dinar have been strongly reaffirmed Moreover, the volume of imports continues to rise despite new regulatory measures.

The new import restrictions and requirements were prompted by demands by domestic producers for greater protection from imports; in response to the 1967 economic slowdown, and by concern over deterioration of Yugoslavia's

Prices move up

A clearly discernible upward movement of price levels at the end of 1968 and beginning of 1969, which accompanied the steep increase in industrial production, was among the factors prompting the imposition of National Bank credit restrictions to cool off the economy. The National Bank has increased the mandatory reserve rate from 30% to 32% and has required partial repayment by commercial banks of certain National Bank credits. Consumer credit conditions have also ben tightened. This new, cautious credit policy is expected to continue until mid-1969.

The National Bank also appears to be prepared to enact additional controls if necessary, and the Government has warned that lowered import protection can be expected by businesses charging excessive mark-ups and showing unusually high profits.

foreign trade position following the extensive liberalization of imports in 1967.

Many important articles for which import was previously liberalized were shifted to more restrictive foreign exchange categories requiring either import licenses or imposing import quotas. Foreign exchange controls were imposed on a number of items and other restrictive devices include a new special permit for the import of many raw and finished materials. These restrictions have come under fire because of their contribution to higher prices, and it is believed that the Yugoslav Government is stiffening its attitude toward further requests for protection.

Regulations implemented during 1968 require that import quantities and sources for many goods be determined by agreements between Yugoslav importers, consumers, and producers of the item in question. This requirement is supposed to provide a mechanism for the apportionment of imports by product line and country of origin, in order to avoid duplication and parts problems arising from the import of a diversity of brands.

The Government-backed trend toward the integration of enterprises within many industries has gained momentum over the past year. These inter-firm arrangements range in formality from agreements to consult and coordinate to outright mergers. The reason given for most of these associations is the desire to gain benefits from integrated and coordinated marketing and purchasing, from concentration of capital for expansion, and from the economies of scale. The most significant recent agreements have been concluded in the fields of truck manufacture, iron and steel, and metalworking.

According to knowledgeable Yugoslav observers, the stage is now set for a substantial increase in U.S.-Yugoslav trade. On the import side Yugoslavia is proceeding apace with modernization of industry, which in most cases requires Western capital equipment. Imports of capital equipment showed a healthy 22% increase during 1968, and it is expected that the need for capital goods will continue to increase throughout the foreseeable future.

Also, American leadership in the industrial technology essential to modernization is widely recognized in Yugoslavia. Side by side with this, Yugoslavs realize that the United States, with its liberal import policies, is an insufficiently explored hard currency market for Yugoslav products.

Because of hard currency shortages, Yugoslav businessmen welcome joint manufacturing and licensing agreements with Western firms as a means of expanding production and technology, and American firms in a position to enter such relationships will enjoy a great competitive advantage in the Yugoslav market.

With regard to other forms of commercial cooperation, Yugoslav law now offers the possibility of joint investments between Yugoslav and foreign companies under which the foreign investor may participate in the management and profits of a Yugoslav enterprise. Response to this relatively new program has been disappointing to the Yugoslavs; however, it is understood that the law on foreign investments will be amended to make joint investments more attractive to potential foreign investors.

Under recent legislation foreign companies entering into joint manufacturing or investment arrangements with a Yugoslav firm are eligible to open representation offices in Yugoslavia. This most recent step to encourage foreign participation in the Yugoslav economy will permit the foreign company to undertake sales support, technical assistance, and quality control activities connected with their relationship to a Yugoslav enterprise.

Areas of special interest

Yugoslav desires to expand exports to hard currency markets have led the Yugoslav Government to favor export-oriented industries when allocating scarce foreign exchange for imports. American suppliers will therefore find more ready and prosperous markets in these fields.

Tourism: This critical sector of the economy is an important earner of convertible currencies, and as such it receives preferred treatment in the amounts of foreign exchange made available to it for modernization and expansion. Hotel, catering, and similar tourist enterprises are and have been a sizable market for American climate control, recreation, food serving, laundry, and food preparation equipment. Pleasure craft, outboard motors, hotel-size water treatment facilities, and selected types of camping gear also may have good sales potential.

Wood industry: Plans are under way for the integration and modernization of the wood and furniture industries. These important export earners are in need of modern timber processing equipment as well as modern machines and tools for furniture manufacture. There is a preference for American-made hand tools, which in Yugoslavia are used as production line equipment in furniture factories.

Food packaging and processing: Yugoslavs increasingly recognize that the success of their export drive will hinge in part on the attractive, sanitary, and persuasive packaging of many Yugoslav exports such as foods and beverages. For this reason good prospects are believed to exist for the sale of American packaging machinery and design. Vegetable and fruit packaging and canning appear especially promising in this regard. Also, frozen, pre-cooked, and powdered convenience foods are becoming increasingly popular among urban shoppers and may provide an interesting market for American suppliers.

During 1968, and particularly during the final quarter, Yugoslav industrial production rose rapidly, well in advance of previous estimates. Many branches of industry shared in this rise, with only the leather and footwear, rubber, and food processing industries showing no

TOURISM IN YUGOSLAVIA is an important earner of convertible currencies, and offer good sales potential in related supplies and equipment. Pictured below is the modern Novigrad motel.

advances. No significant industry registered a production decrease in 1968. Especially marked production increases were noted in shipbuilding (up 39% over 1967), chemicals (+16%), building materials (+11%), paper (+9%), iron and steel (+9%), and electrical manufacturing (+9%). A newspaper survey reveals that an overwhelming majority of Yugoslav businessmen expect increased output and improved market conditions in 1969.

The remarkable and wide-ranging surge in industrial production was accompanied by an impressive productivity increase of approximately 7% during 1968. As of January, productivity was 8.2% higher than in the same month of 1968, thus indicating a continuing tendency in this direction.

Another promising sign in the industrial sector has been a long-awaited decline in inventories of manufactured items, thus indicating that production increases are finding their way more and more into domestic and foreign markets and are responsive to market needs. While inventories decreased by only 1.2% in 1968, inventories during January were 4.2% lower than in January 1968.

Despite substantial production increases, factory prices for industrial products rose by only .5% during 1968, showing a welcome stability essential to Yugoslav export expansion plans.

Rapid recovery

In addition to industrial growth, other indices reveal the rapid recovery of the Yugoslav economy from the stagnation of 1967 and illuminate some of the sources of the current dynamism of the economy. There has been an increase of 24% in the amount of money in circulation, with short-term credits rising by 17% and consumer credits by 61%. Capital investments in 1968 increased by 26% over 1967, with especially large investments occurring during the last half of the year. Formerly originating with state sources, investments are now largely undertaken by the commercial banks and the enterprises themselves.

Investments in 1968 concentrated in industry, mining, transport, and tourism. During the last half of 1968 a trend toward substantial investments in agriculture became apparent. In view of the recognized need for modernization of agriculture, it is expected that this trend will continue.

Consumer credits skyrocketed during 1968, from a five-year low in March to a postwar high in December. Meanwhile, however, savings deposits grew by 28% to an all-time high at the end of 1968, helping to account for the stability of commodity prices during the year.

During 1968 the worker's nominal income grew by 9%, while real wages rose by 4% and productivity gained 6.5%. There was also a marked (5%) rise in the Yugoslav cost of living, reflecting increases of 3-6% in the costs of food, clothing, and transport, and planned rent hikes averaging 22%. Figures for January show continued increases in the above-mentioned key fields (particularly rents), seeming to indicate a continued upward trend in the cost of living.

Despite favorable trends in industrial growth and productivity, unemployment remains a serious basic problem. The average monthly unemployment rate rose from 7.2% in 1967 to 8.2% in 1968.

A safety valve which serves to ease unemployment problems has been the growing tendency of Yugoslav workers to accept temporary employment in Western Europe. At present it is estimated that some 350-400,000 Yugoslavs are employed in this manner.

Despite early spring drouth, with resulting smaller harvests of important field crops, Yugoslavia enjoyed a relatively bountiful year in 1968. The wheat crop was large enough to cover domestic consumption, while corn supplies were sufficient to provide for exports. But, it was in the area of foreign marketing of its agricultural produce that the most difficulty was encountered during the past year.

Total agricultural exports declined 21% in 1968 as compared to 1967. This was due primarily to smaller corn exports caused by world prices dropping below Yugoslavia's domestic prices and to decreased returns from meat sales to Italy, where high EEC levies were imposed. At the same time, the country was able to cut its agricultural imports, especially from the United States.

ZAGREB-LJUBLJANA SECTION of Adriatic seacoast highway is a favorite of tourists in Yugoslavia.

Trade course scheduled at University of Puerto Rico

A twelve week course for businessmen interested in entering international trade is scheduled at the University of Puerto Rico beginning May 14.

Sponsors are the U.S. and Commonwealth of Puerto Rico Departments of Commerce, the Regional Export Expansion Council for Puerto Rico and the U.S. Virgin Islands, Pan American World Airways, The International Trade Assn. of Puerto Rico, and the Economic Development Administration.

For further information, call 723-4640 or 723-2052, or write: U.S. Department of Commerce Field Office, Room 100, Old Post Office Bldg., San Juan, Puerto Rico, 00902.

Bolivia lifts auto import ban

The Government of Bolivia has rescinded the import prohibition on passenger cars that was to expire on July 31. The Decree, dated Mar. 12, increases the ad valorem duty rate as well as the minimum values applied to auto imports. Increases appear to be moderate with the ad valorem rate increasing from a 100 to 155% range to a 130-180% range.

Italy still on high road

GNP growth topped 5% in 1968, outlook for '69 good; U.S. sales prospects favorable

The year 1968 was another highly satisfactory one for the Italian economy.

In a climate of generally stable prices, gross national product rose about 5.2% in real terms. Industrial production rose 6.2% and export demand for Italian products was strong, more than compensating for some weakness in the expansion of domestic markets, according to the semi-annual Economic Trends Report from the U.S. Embassy in Rome.

The outlook for 1969 remains good. The government has taken measures to expand public investments in the year ahead, the construction industry is reflecting strong demand and a pending increase in pensions will give a boost to consumption. The rate of increase in exports may level off but consumption in the domestic economy is expected to take up any slack. The overall outlook is for continued growth at a somewhat faster pace than 1968.

As a corollary of the country's outstanding export performance, Italy's balance of payments registered another strong surplus in 1968—about $650 million. The surplus on current account, before deductions for capital outflows for investments abroad, reached the impressive total of almost $2 billion.

Agriculture had a moderately good year. Total crop values rose by 1.5% over 1967 and farm productivity continued to rise slowly as another 350,000 Italian farmers left the land in 1968 and joined the urban population.

Prospects for U.S. trade

The expected expansion of internal demand offers good prospects for U.S. businessmen in the year ahead. Among the most promising fields are sophisticated office equipment and computers, goods handling and distribution systems including container handling equipment, microelectronics equipment and biomedical equipment.

A successful exhibition of water purification and desalination equipment, PURAQUA, was held in Rome in February and is expected to result in over $33 million in sales to Italy and the other countries of the Mediterranean basin. Italy's strong balance-of-payments position makes it a particularly rewarding market for aggressive merchandisers of high-technology goods.

The favorable outlook for U.S. business and trade in Italy in the coming months is based on a number of factors, which include the judgment that Italian economic growth will continue and the generally optimistic mood of the business community. Among positive elements are the increasing internal demand, improved productivity, implementation of government and private projects, and the steadily rising trend in imports.

Payments position strong

In 1968, for the fifth consecutive year, Italy had surplus in its balance of payments. Preliminary data indicate that the overall surplus last year was about $630 million or nearly double the $325 million surplus of the year before.

The basic structure of the Italian payments position remained essentially unchanged. There was a large current account surplus—highlighted by a strong trade position and massive receipts from tourism and emigrants—and a net capital outflow of significant proportions.

The year 1968 saw a spectacular rise in Italian exports (17% over 1967), while imports increased only moderately (4.3%). There was a continuation of the upward trend in Italy's trade with Common Market countries, which—on the import side—accounted for 36.2% of total 1968 Italian imports, a slight increase over the previous year.

Another salient fact is that Italian imports from the United States again reached a record level (12.2% higher than in 1967). The commodity pattern, however, shows unusual shifts. Increased Italian purchases of U.S. corn reflected revised customs data which included imports on a "suspended duty basis", previously omitted in the 1967 statistics.

Substantial increases were registered in shipments of U.S. airplanes which reached $112 million. Other products which gained in the Italian market included lumber, non-electrical machinery, iron and steel and pig iron scrap. In most other import groups the level of trade remained the same or declined, particularly coal imports (down $20 million).

The Italian economic scene continues to offer attractive opportunities to American traders. A year ago, at the first signs of the leveling off of the rate of economic expansion, the Government took prompt measures to revive the economy, approving a broad program of measures, with emphasis on stimulating investment. The effect of the program will be increasingly felt over the coming 2-3 years.

The program, as approved, includes improved credit facilities for small and medium industry, a tax credit for investment; and modernization of the railway system.

More large programs

Furthermore, the government has other large programs approved or pending, such as school and hospital construction, improvements of the telecommunication network and industrialization of the South. While the impact of all these public investment projects will be felt primarily in the domestic economy, they should also generate substantial imports. Government sources anticipate that in the current year imports will increase by 14%.

Equally important to American business interests are investments by Government-controlled industrial entities and by the private sector. Currently, a number of important projects related to a wide range of industries are in various stages of execution.

There is a general awareness that Italy's infrastructure needs modernizing if its industry is to meet effectively the challenge of growing competition from other Common Market countries.

Multiple Government and private initiatives reflect this concern and explain the reason why top priority continues to be given to automation, standardization and specialization in key industries, for which technologically advanced machinery is essential. There is a tremendous sales potential in many commodity lines, the most important of which are discussed below. However, increasingly stiff competition makes knowledge in depth of the Italian market an essential requirement.

Studies of the Italian market show that

the computer market is growing very fast. The most promising items listed appear to be small engineering and scientific computers, table-top computers and printing computers.

Italian experts predict that the Italian market for microelectronics will expand substantially over the next few years. In this relatively new field, which is of great interest to consumers and to the trade, the rapid expansion of electronic industries together with the rising demand, makes commercial opportunities very attractive. According to specialists the following items offer interesting opportunities: monolithic, integrated, hybrid and multichip circuits, soldering equipment, plus various components.

Trade sources indicate that, due to the technological superiority of some U.S.-made biomedical equipment, there are bright prospects for the sale of a full range of such products, particularly advanced equipment for diagnosis and research. There is interest in photometers, gas analyzers, colorimeters, chromatographs, defibrilators, endoscopes and microscopes.

American exports to Italy have received recently a boost by a $10 million credit granted by the Export-Import Bank to the Istituto Mobiliare Italiano, an Italian Government-controlled credit agency. This loan will be used to finance purchases in the United States of equipment and services by *Italsider, S.p.A.*, the large Government-controlled integrated iron and steel company. Italsider is currently carrying out its productivity improvement program. The credit will be used for purchases involving a wide range of items to be furnished by a number of American companies.

Outlook remains bright

The outlook is good for the economy to grow in 1969 at a pace exceeding that of 1968. The stimulative measures approved by the Government last year are one factor. Further expansionary effects are expected from Government policy, such as from the increase in pensions recently presented to Parliament with a 1969 price tag exceeding the equivalent of $800 million. Given prevailing price stability and the surplus in Italy's balance of payments, policy officials feel that real growth of 6% or more is a reasonable target to achieve this year.

If such a growth rate is achieved, one can expect some increased pressure on prices—as a result both of an increase in demand and of wage increases which will result from the renegotiation of major wage contracts due this year. Accelerated internal economic activity, combined with the expectation of some slowing down in the growth of world trade, should also mean that Italy's imports will go up more rapidly while export expansion should slow down. Thus, it is reasonable to look for some reduction in the balance-of-payments surplus.

The January survey of ISCO—National Institute for the Study of Economic Trends—revealed that at the end of December, 64% of the companies polled expected no change in the next few months in the volume of production as compared with 71% last June. Thirty percent anticipated improvement, whereas last June only 15% foresaw improvement. Those who predicted a deterioration declined from 14% in June to 6% at the end of December.

The growth of industrial production slowed somewhat in the first half of 1968 but regained some of the lost momentum during the second half following the summer holiday period. Industrial production index rose 6.2% over 1967.

Construction was up strongly during the year. For the first nine months the number of residential and non-residential construction projects exceeded slightly the number of such projects completed a year earlier. This is the first such increase on a year-to-year basis recorded for many months. More important for the future are the number of building permits granted and building starts recorded during 1968.

The automobile industry built a record 1,663,649 vehicles, 7.8% more than 1967. Production of industrial vehicles increased 14.7%. The domestic market was not as responsive as last year whereas exports rose 37.9% and accounted for over 35% of total automotive production.

The mechanical industry appears to have benefited from government measures taken at mid-year for stimulating fixed capital investments. During the second half of 1968 the downward trend reversed and at the end of the year the mechanical industry registered an overall 4.4% gain. First reports for early 1969 indicate that domestic demand is expanding and recovery continues.

Production of electric household appliances, now one of the leaders of Italian industry, during 1968 averaged an estimated 10% gain over 1967 ranging from the almost stationary production of washing machines to refrigerators up 17% and dish washers up 55%. Foreign demand accounted for over 60% of total output and, despite French and British counteractions, scored a 15% increase over last year.

Petroleum refining increased 9.4%. The output of natural gas was up 11%. The electronics industry continued in difficulty. This sector which during the 1948-66 period had registered a six-fold expansion is now facing structural and recessional problems. Largely supported by foreign capital, the slowing down of investments during 1967 and 1968 has affected its productive capacity. Outlook was more unfavorable than last year and a serious crisis is deemed not unlikely.

Throughout 1968 the interest rate structure showed only minor changes. Italian authorities were unwilling to see a rise in these rates, despite an increasing capital outflow, in order not to interfere with domestic economic expansion.

Bank liquidity remained high, favored by a deficit in the government budget, a continuing balance of payments surplus and a somewhat lower than expected domestic demand for credit. For the

Distribution equipment offers opportunities

A relatively new field in Italy, and one in which commercial opportunities exist, is distribution. Faced with an inefficient and costly distribution system many Italian companies, particularly chain stores, are seeking means to reduce expenses and adopt modern distribution and warehousing systems. A number of stores are already implementing, others are planning, the use of advanced systems for the physical distribution of goods. There is a sizable market potential for automatic and semi-automatic warehousing equipment, special conveyor belts, sorting equipment, picking equipment, stacker cranes, portable elevators, special forklift trucks and others.

For the movement of manufactured goods from the factory to the market emphasis is placed more and more on container handling equipment, which is rapidly gaining favor. Italian marketing experts realize the potential of the American experience with "containerization." Container handling equipment in general offers a promising market in the near future, particularly for items such as onboard and dockside cranes, sideloaders, straddle carriers, swinglifts, hydraulic container jacks and all types of container manufacturing equipment.

EXHIBITOR BANKING SERVICES AT MILAN U.S. TRADE CENTER are provided by representatives of Banca Commerciale Italiana and S.V.P. Italia. The former, which is opening a New York branch, is ready to give nearly all banking services at the Center, including foreign exchange transactions. S.V.P. Italia, an organization ready to help in technical, statistical, legal, and economic fields, has an employee at the Center, who also assists on matters of general traveler information and interest.

first 11 months of the year bank deposits rose by 8.61%. During the same period bank loans grew a somewhat more modest 4.74%. As a result, at the end of November the loan deposit ratio stood at 65.6, down from the 68 recorded at the beginning of the year.

The proposed budget for 1969 calls for expenditures of 10,721 billion lire ($17,153 million) as against 9,829 billion lire ($15,726 million) in the 1968 budget, an increase of 9.1%. On the revenue side, budget receipts for 1969 are expected to reach 9,711 billion lire ($15,537 million) up 10.3% from 8,805 billion lire ($14,088 million) estimated for the 1968 budget. The budget deficit in 1969 of 1,010 billion lire ($1.6 billion) is down slightly from the 1,124 billion lire ($1.8 billion) deficit recorded in 1968.

Economic measures

In mid-1968 the government proposed a series of economic measures in the interest of stimulating internal demand with the accent on investment demand, particularly in the Mezzogiorno. Measures as finally approved by Parliament included tax benefits for firms making new investment and increasing their capital stock, and a reduction in social security charges to employers and employees situated in the South. In addition, a 100 billion lire ($160 million) fund has been established to assist in financing applied research and other projects to improve industrial productivity, and 450 billion lire have been set aside to accelerate the railroad modernization program.

In mid-February the government and labor unions reached agreement on a pension reform scheme which will result in higher pensions for most segments of the population. The goal is the gradual raising of pensions to 80% of the high three-year wage or salary by 1976.

Trade deficit narrows

Both imports and exports last year exceeded the level of $10 billion for the first time while the traditional trade deficit was narrowed to less than $100 million. The growth over 1967 was roughly 17% and 4% respectively. Net tourist receipts were $1,135 billion, down by 0.7% over the year before. The current account surplus on a payments basis rose from $1,287 billion to $1,980 billion in 1968. Partially offsetting this was a large capital outflow of $1,360 billion (cf. $1.0 billion in 1967). Of this amount, approximately $1,125 billion represented the outflow of banknotes, mostly to Switzerland. In 1967 banknote exports amounted to $800 million.

It is generally felt that 1969 will be a year of changing patterns as far as Italy's external accounts are concerned. Measures aimed at improving the balance of payments of France and England should slow the growth of Italian exports to these countries and the anti-inflationary program in the United States should have a similar effect.

On the other hand, trade with Germany (Italy's largest trading partner) and Italy's competitive position *vis-a-vis* Germany in third markets should improve to the extent the German adjustments in the border tax area have the desired effect.

The Italians are accelerating some spending programs in an effort to increase internal investment and demand for imports. On net it would not be unreasonable to expect the growth in overall imports to accelerate and for the growth in total exports to fall in 1969.

The major determinants in 1969 are likely to be the course of political and social developments in Italy and the relative return on investments overseas. Italians recently have been heavy investors in foreign securities, such as Eurobonds and mutual funds, and the natural tendency would be for more of the same. Yet a sharp fall in stock prices in the United States would certainly be expected to have an adverse effect on new investment flows as well as repatriations. Political or social unrest would, of course, have the opposite effect. On the whole, we would not anticipate a substantial change in the level of capital exports in 1969 which may be in the range of $1 billion to $1.5 billion.

Agriculture has good year

Italian agriculture enjoyed a moderately good year in 1968. Although total value of production increased about 1.5% over the previous year, this rate was much below that of other sectors of the economy and agriculture's share of total GNP declined. At the end of 1968, 4.3 million Italians were employed in agriculture, a decline of about 350,000 for the year.

In 1968, U.S. agricultural exports to Italy accounted for about 11% of Italian agricultural purchases. Imports of wheat and feed grains doubled compared to the previous year, while cotton and oil seeds imports decreased somewhat.

Labor agitation increased considerably

over the past few months. There were short strikes, rarely exceeding 24 hours, mainly over such general problems as reform of the pension system and elimination of differential wage zones. Strikes over various local issues also occurred. In addition, some efforts of students-extremists to aggravate labor disputes, as well as several local plant disputes and some agitation in public services sectors, conveyed an impression of extensive labor unrest.

Not all of this activity should be attributed to industrial relations problems: the prospects of national trade union congresses in 1969, a somewhat more radical trend in the labor movement itself, and the overall political situation, all tended to sensitize labor problems.

Although prospects now seem good for agreement on the general problems of pension reform and reduction of wage zone differentials, nevertheless 1969 promises to be a year of extensive labor activity. Agitation may further intensify as the time approaches for renegotiating several major national contracts affecting more than four million workers.

The overall labor force was 19.7 million persons, or 37.2% of the population. (One year earlier the figures were 19.89 million or 37.9%.) Unemployment was 3.4% of the labor force. Employment distribution was 22.1% in agriculture, 42.1% in industry, and 35.8% in service activities.

Sweden raises discount rate from 5 to 6% to stem loss of foreign exchange

The Central Bank of Sweden (Riksbank) raised the discount rate from 5 to 6%, effective Feb. 28. This action returns the discount rate to the level in effect prior to Feb. 3, 1968.

The current action in raising the level of foreign exchange holdings was a Governor of the Bank to three factors: the prevailing high interest rates abroad (this was given as a major factor); a desire to prevent overheating of the economy later in the year; and a failure of the commercial banks to maintain their liquidity quotas.

The report from Sweden on this rate increase action indicates that the loss of the discount rate is attributed by the highly important factor in the Central Bank's decision. In a press conference the Governor of the Bank stated that Sweden had lost almost 300 million crowns ($58 million) in foreign exchange reserves since the first of this year.

Sales to U.S. featured Canada's improved '68 payments balance

Current account deficit reduced to one-third of 1967 level and almost $1 billion below 1966; investments from U.S. drop

A substantial improvement in Canada's balance of payments position was recorded in 1968. The improved balance stemmed largely from the strong Canadian performance in merchandise exports, particularly in sales to the U.S. market.

Canada's current account deficit from transactions in goods and services was reduced to C$181 million in 1968, only one-third of the 1967 figure and almost C$1 billion below the 1966 level. The improvement in current account of C$362 million was the product of a substantial gain in the merchandise surplus of over C$800 million (mostly in the U.S. account) which was reduced by an increase of C$450 million in the non-merchandise deficit. The widening of this deficit reflects mainly the return to the pre-1967 pattern in the travel account, which had experienced an unusual stimulus in 1967 as a result of Expo '67.

According to preliminary data from the Dominion Bureau of Statistics, inflows of long-term capital rose over C$200 million to $C1,544 million as new Canadian issues sold to non-residents approached C$2 billion. Short-term capital outflows also rose by more than C$200 million, to reach C$1,010 million. Included in these latter flows are amounts reflecting movements which have not yet been identified.

The errors and omissions element of the Canadian balance of payments during 1968 as currently measured reflects relatively large unidentified net payments of about C$500 million. In accordance with past Canadian practice the figure has been included with capital transactions in short-term forms.

Canada's official monetary assets increased by C$353 million during the year. The quarterly movements reflect the speculative attack on the Canadian dollar in the first quarter of the year, some of the resources mobilized in defense, and the subsequent replenishment and build-up of these assets.

In 1968 the current account deficit with the United States fell by C$422 million to $C957 million, the lowest recorded since 1954. On merchandise trade with the United States the Canadian figures show a surplus of C$170 million; this surplus was offset by a C$1,127 million increase in the deficit on invisible transactions. A rise in interest and dividend payments to the United States and a decline in travel expenditures received from U.S. visitors accounted for about half of the increased deficit on all non-merchandise transactions with the United States.

Investment by foreign companies in Canada in 1968 involved a net capital inflow of C$585 million, down slightly from 1967. The decline reflected a drop in the direct investment inflow from the United States which still accounted for about 60% of the total inflow in 1968.

The record net inflow of C$1,144 million from international transactions in portfolio securities in 1968 was far in excess of the previous high of C$645 million recorded in 1964 and more than double the 1967 inflow.

For the first time since the Second World War residents of foreign countries other than the United States and the United Kingdom became a substantial source of portfolio capital, providing C$474 million or two-fifths of the year's net inflow. This borrowing, mainly from the countries of Continental Europe, constituted perhaps the most significant change in the pattern of Canada's international portfolio capital movements for a number of years. The United States, the traditional source, provided C$677 million.

Peru extends import bans

Peru has extended a ban on approximately 300 categories of imports previously scheduled to expire on Mar. 31. The import ban is now scheduled to run until Mar. 31, 1970.

The new Decree Law of Mar. 25 makes no changes in the prohibited list which includes the following products: foodstuffs, tobacco products, cosmetics, luggage, furs, paper products, carpets, clothing, shoes, glassware, kitchen appliances, radio and TV sets, watches, and automobiles with an f.o.b. price of over $3,000.

Venezuela outlook encouraging as business takes optimistic view of new national Administration

Good market for U.S. goods likely in capital equipment; need for medical, office and food processing machinery

With the uncertainties of the transition period following last fall's Venezuelan election passing, the prevailing mood in business and banking circles is one of optimism about the new Administration's policies and economic prospects in general.

Merchandise imports during 1968 rose in value by 9% over the previous year. Prominent among them were machinery, construction materials, and raw materials. The increase reflects the vigorous rise in overall demand and the attendant business expansion. In part it also reflects the results of a policy designed to substitute local manufacture for imported goods.

Tariff or other protection was granted during 1968 to 60 product groups, implementing the Government's policy of fostering national industries, and Bs. 583 million were granted in Government credits to new investment projects involving local production.

Preliminary import estimates suggest once again that import substitution, rather than reducing imports, tends to increase them because, as the process of creating national industries goes along, it requires more capital and more sophisticated technology than are locally available. Nevertheless, the new Government is not likely to make radical changes in the policy of protection.

All indications are that the new Government will be as hospitable to investment by foreign interests as the outgoing one. In all likelihood they will attempt to attract more investment, if it can be channelled to fields of activity not already being exploited.

The new Government will continue to try, along lines followed by its predecessor, to improve through diplomatic action Venezuela's position in the U.S. oil market. It will seek, as did its predecessor, to establish for Venezuela a position equal to that of Canada and Mexico. There will be no attempt to change the underlying economic factors, such as export prices for Venezuelan crude. The new Administration has also given indications that it would like to make progress on concluding service contracts.

After many years in opposition, the COPEI, or Social Christian Party, is not committed to any rigid position on matters of economic policy. It will, in all likelihood, continue utilizing Venezuela's petroleum revenues to develop other sectors of the economy—its industry, agriculture and transport and communications network—to raise the standard of living while at the same time attempting to make the country less dependent on petroleum.

There is every reason to believe that the new Administration will continue to encourage private investment as an important contributor to economic development. It may possibly place increasing emphasis on encouraging the oil industry to expand its output, thereby augmenting the revenues that can be used for investment in expansion of the country's industrial base. The Government will still be the largest single industrial entrepreneur, and apparently plans to continue and perhaps expand housing, educational, and social welfare programs.

According to preliminary estimates, the economy increased its output in real terms by about 5% last year, the same as in 1967. Manufacturing output—including petroleum refining—rose by about 5% while farm production increased by 6 to 7%, repeating the performance of 1967.

The fragmentary information now available suggests that this pace may be maintained despite a decline in petroleum production. Demand levels are also continuing approximately the same as in the period prior to the election. Even the usual post-Christmas fall in sales has been much less pronounced this year than in previous ones.

The banking system continues to be quite liquid, although not to the same extent as last spring. These high levels of activity have been sparked and maintained, in part, by a high volume of Government expenditures, which contributed significantly to a rise of 11% in the money supply and of 13% in bank deposits in the course of 1968. The rate of savings is also high; savings deposits rose by 11% in 1968, and deposits in the National Savings and Loan System rose during the year by about two-thirds.

So far the rapid monetary expansion has not produced a significant rise in the price level. Government sources state that the rise in retail and wholesale prices continued at about 1% in 1968, although the official cost of living index for the Caracas metropolitan area showed a more rapid increase beginning last spring. Between October 1967 and October 1968 it rose by about 2.5%.

The main impact of the monetary expansion was felt, however, on the balance of payments. The combination of rising demand and growth in the money supply produced a rise in imports estimated by the Central Bank at 9%. Exports, at the same time, remained at the same level as in 1967, or declined slightly. This narrowing of the trade surplus will probably increase the deficit on current account, which amounted to $40 million in 1967.

In the vital petroleum sector, output at present is at approximately the same level as last year, or very slightly lower, at around 3.6 million barrels a day. Service contracts, which will replace concessions as the basis for new oil exploration agreements in Venezuela, are still under negotiation with respect to areas in the southern part of Lake Maracaibo. Desulphurization plants under construc-

Best U.S. sellers

Venezuela should continue to offer good markets for U.S. goods, particularly capital equipment, while the market for consumer goods will continue to shrink owing to the import substitution policy. U.S. manufacturers and exporters may take advantage of opportunities to sell medical, hospital, and therapeutic equipment; plastics machinery; food processing and packaging machinery; office machines and computers (excluding typewriters); materials handling equipment; basic automobile components; wheat; raw materials for the basic chemical industries; chemical specialties; and bulk pharmaceuticals for the pharmaceutical conversion industry.

tion by Creole and Shell—to reduce the sulphur content to comply with U.S. anti-pollution requirements—are expected to be completed in 1970 or 1971. U.S. oil import quotas during 1969 will not produce any increase in exports of Venezuelan oil.

Fiscal problems loom

The Venezuelan Government faces the problem of how to maintain economic growth, continue and perhaps step up housing, education and social welfare programs, while at the same time preserving monetary and financial stability.

Oil revenues in 1969 are expected to rise by only 2%, and for 1970 the increase will probably be not more than nominal. Tax receipts from the oil companies always lag behind output trends; also, reference prices rise. For these reasons tax receipts may rise when oil output is unchanged. Extra revenues brought in during the last two years by payments of back taxes by the oil companies have ended, except for a small terminal payment to be made this year. Over the past five years, the Government's ordinary expenditures have grown at an average annual rate of over 8%, but ordinary revenues at less than 6%.

As already seen, the money supply and other indicators of demand have been expending considerably faster than the output of goods and services. A factor in this expansion has been the high level of public expenditures and new commitments. If continued much longer, the imbalance could accelerate price level increases or involve a lowering of the trade surplus—a process which has already begun, judging from the increase in imports during 1968.

The impetus provided by the Near East crisis of June 1967, to Venezuela's oil production and exports has about run out. Production of crude oil in 1968 was about 2% above the 1967 level, and output data for January 1969, indicated levels approximating those of a year ago. Supertanker transport economies are eroding Venezuela's geographical advantage with respect to North American markets, while lower-priced crudes from North Africa and the Near East have already affected its competitive position. Meanwhile, the necessity of lowering the sulphur content of Venezuelan fuel oils will add to their cost.

These factors lead to increasing difficulties in marketing the oil. The Government may try to stimulate output by encouraging the oil companies to open up new drilling areas, thus making it possible to enlarge the oil companies' investment base and lower incremental costs. It may, for example, try to move ahead rapidly with the negotiation of service contracts for southern Lake Maracaibo.

Projects aimed at expanding the country's economic base and accelerating its growth are making gradual headway, although some are hitting snags. The project of SIDOR, the Government-owned steel mill, to build a flat products mill, has been delayed by Congressional criticism of the procedures adopted for qualifying bidders, but bids have been called for. Quality control of steel pipe produced by the existing plant has proved difficult, and exports of this product rose only slightly in 1968.

The development of the western region of Venezuela should be aided by a loan of $16 million received from the Inter-American Development Bank for a 240,000-kilowatt dam and power project at Santo Domingo, in the Andes. This will represent one-third its cost.

Integration lags

A proposed agreement for subregional economic integration with five other countries in the so-called Andean Group met with various strong objections in the private sector, with the result that Venezuela has been unable to sign the agreement thus far.

One of the key elements still at issue in subregional negotiations is whether integration should encompass existing as well as future industries. Venezuela's FEDECAMARAS, for one, strongly favors scheduling across-the-board tariff cuts only for future industries. So far, COPEI officials have not made detailed position statements but have tended to stress the need for private support if integration is to succeed.

The parent organization of Latin American economic integration, LAFTA, whose headquarters is in Montevideo, is also somewhat stalled at the moment, but its procedure of product-by-product negotiations is less objectionable to Venezuelan businessmen than the ambitious subregional plan.

Private initiative taken

Despite these problems in government-to-government negotiations, there are indications that integration may be moving forward at the private level. At a recent meeting in Lima, representatives of private industry in five of the six Andean countries (Bolivia was not represented) agreed to investigate possibilities for multinational enterprises and trade within the framework of the Montevideo Treaty. These private initiatives probably will be continued or even stepped-up.

Private construction, which suffered a marked decline in 1967, has been making a recovery. Construction permits granted during the first nine months of 1968 were 8% greater in number than for the same period of 1967. Investment in publicly-financed construction activities has been satisfactory to date, but delays in contractual payments are causing some financial difficulties in the industry.

Book gives details on cross-ownership of Canadian firms

Canada's Dominion Bureau of Statistics has released an 834-page publication entitled "Inter-Corporate Ownership," giving, for the first time, certain details regarding the relationship of Canadian corporations to each other.

The publication lists corporations operating in Canada whose gross revenue during the reporting period exceeded $500,000 or whose assets exceeded $250,000. It gives the names of the companies reporting, the holding company with control, the holding company's percentage of ownership of the reporting company, and the country of incorporation of the holding company.

Corporations which had common ownership by another corporation or were linked together in "reporting corporation-holding corporation" relationships are grouped together in the DBS publications to form ownership complexes.

The data was compiled from reports filed by corporations under the provisions of Canada's "Corporations and Labour Unions Returns Act," passed by Parliament in April 1962. Corporations were required to report under the Act for the fiscal years ending in 1965.

Exempted from the reporting requirements of the 1962 Act are corporations that provide similar information under Government of Canada regulatory legislation, that are government-owned, that are non-profit organizations or that are smaller than the minimum size specified in the Act.

Copies of "Inter-Corporate Ownership" may be purchased from the Dominion Bureau of Statistics, Ottawa, at C$8.50 (U.S.$7.86) per copy. The DBS catalog number is 61-507. Remittances should be by check or money order payable to the Receiver General of Canada.

Congo view is best ever

Political stability, 1967 reform program have brought remarkable progress

Problems and pitfalls notwithstanding, the condition and prospects of the Congolese economy today are the best since 1960, thanks to political stability and the remarkable progress achieved under the reform program adopted in 1967.

Equilibrium has been restored to the balance of payments and there have been major improvements in the management of public finance, according to reports received at the Commerce Department. Inflation has been halted, with prices stable since last June.

Equilibrium is still precarious, however. There are three sources of potential inflation: pressure to raise living standards through higher wages; government budget deficits; and the growing need for more liberal credit to commerce, industry and agriculture.

If present trends continue, the economic relationship between the United States and the Congo should enter a new phase, characterized by increased public and private American investment to help meet the Congo's developmental requirements.

The policy of the Congolese Government toward foreign business activity obviously is a very important factor in assessing the outlook for increased American business and investment. As shown by the present Belgo-Congolese relationship and other manifestations of good will toward foreign business, President Mobutu's administration is keenly aware of the benefits which foreign capital and know-how can bring to the Congo. The Congolese Government has made it clear that it would welcome more American investment and American products.

Major sales chances

Plans for improving the Congo's transportation, communication and other public utility systems will require sizable investments and may offer major opportunities for the sale of capital equipment for the country's railroad and river networks, the modernization of semi-public utility companies, and for civil aviation. The latter field offers opportunities for navigational aids, communications equipment, long and medium range jets, as well as light aircraft.

Export possibilities are inherent also in the expansion of Congolese consumer industries and agriculture. The modernization and expansion of the mining and metallurgy industries, already under way, will develop at an accelerated rate as a result of improved infrastructure and a general increase in economic activity. This sector offers particularly important sales opportunities.

To encourage investment, a new investment law is expected to be promulgated in the very near future. Removal of restrictions on certain foreign exchange transactions should also act as an incentive to foreign investors.

Several important American investment projects now moving ahead include a 250-room Intercontinental Hotel in Kinshasa, a joint mining venture in the Eastern Congo, and a flour mill in the port of Matadi. A second joint mining venture has been proposed. Several U.S. oil companies are seeking petroleum exploration and exploitation rights. There are increasingly numerous other indications of growing interest in investment on the part of large American banks and important business firms.

The decline in imports brought about by the monetary reform is already proving to be a transitory phenomenon. Since a successful reform presupposes a rise in economic activity following the initial stabilizing phase, interesting U.S. export opportunities may be expected to develop.

There are several factors favoring an increase in the U.S. share of the Congolese market, such as (1) the prestige enjoyed by many American products and by the level of U.S. technology; (2) the absence of discriminatory trade practices (while the Congo is a member of the Yaounde Convention of EEC-Associated States, it does not grant reverse preferences to Common Market suppliers); (3) an aid program which takes into consideration follow-up possibilities for commercial sales.

U.S. products of particular interest in the Congo include heavy mining equipment of all kinds, locomotives, vehicles and tractors, machinery, large passenger jets as well as cargo and light aircraft, and a variety of consumer goods.

Some obstacles, too

There are, of course, also obstacles in the way of increasing the American business presence. European suppliers, especially Belgian firms, enjoy long- and well-established trading relationships. They have the advantage of better communications and transportation, competitive prices and often better credit terms, more intimate knowledge of the country and its needs, and no language barrier.

Third countries are making heavy inroads into existing U.S. markets because they often offer better prices, financing conditions and service than American firms. Price competition plays a particularly important role in the automotive field.

Despite such difficulties, greater initiative, aggressiveness, concern with local needs, tastes and circumstances, as well as direct representation of American product lines (rather than through European intermediaries) and on-the-scene salesmanship could achieve significant results in improving the U.S. share of the growing Congolese market.

The principal aims of the monetary reform were: (1) to halt inflation which,

Foreigners interested

Congo's impressive overall economic progress achieved since 1967 has stimulated increasing foreign business interest and confidence, as evidenced by a rising stream of trade missions and commercial visits. The United States continues to play a leading role in assisting the Congo. In recognition of present economic conditions and trends, balance of payments assistance is expected to give way to development aid, hopefully augmented by American private investment.

Opportunities for both U.S investment and sales in the Congo may be expected to increase, both within and outside the framework of our aid program, with export opportunities particularly interesting in the area of capital equipment for the mining and transport sectors.

American business and investment activity in the Congo is on the increase. However, third-country competition in pricing, financing, and service will require American firms to show greater initiative, flexibility and aggressiveness if the United States is to retain or increase its share of the Congolese market.

fed by large budgetary deficits, had prevailed in the Congo virtually since independence; (2) to sweep away the restrictive import quota system; (3) to restore equilibrium to the balance of payments; (4) to foster the revival of agricultural production and exports; and (5) to increase government receipts to the point where they would become sufficient not only for current expenses but also for public investment in development projects.

The principal instruments employed by the monetary reform were: A sharp devaluation of the overvalued Congolese franc (replaced by the Zaire at 1:1,000); reliance on credit controls and import duties rather than on quantitative restrictions to restrict the volume of imports; increased taxation of both imports and exports to bolster government revenues; and, finally, exercise of wage restraints.

In most respects these measures achieved their objectives. While prices rose sharply as a result of the devaluation, the increase remained well below the anticipated 100% rise. Prices in Kinshasa have been virtually stable since June. Despite the removal of quantitative restrictions on imports, the foreign exchange reserves of the Congo more than tripled between mid-1967 and the end of 1968.

This development was due not only to the devaluation and loss of purchasing power brought about by the reform, but resulted in large measure from consistently high world prices for copper, the Congo's main foreign exchange earner.

With a large assist from handsome copper revenues, government receipts responded rapidly to the fiscal measures instituted under the reform. From $58.2 million in the first half of 1967, receipts rose to $371.3 million at the close of 1968 and are expected to reach a similar figure in 1969 as well.

Problem areas remain

Compared with the positive results of the monetary reform, its negative effects for the most part have not been serious. Currency devaluations to less than one-third of the previous official rate was bound to have a significant impact on purchasing power and living standards.

During the 18-month period following the reform, wage increases were held down to 44% of previous levels (the IMF guidelines allowed for a 40% rise during this period). Adding certain indirect benefits accorded to workers, labor cost has increased by about 50%. Prices have stabilized now and the loss of purchasing power has not led to the political and social unrest that might have been anticipated.

Credit restrictions designed to control the growth of the money supply and the volume of imports inevitably also had a dampening effect on the domestic economy. The National Bank of the Congo (the central bank) has adhered to a $40 million ceiling on credits extended to the private sector by the banking system.

The resulting tightness, particularly of medium-term credit, has threatened to act as an increasingly serious brake on industrial, agricultural and commercial development. This poses a dilemma since credit restrictions are still necessary to control the growth of money supply and keep inflation in check, but the trend now is toward a somewhat more flexible credit policy, especially since the major portion of additional credit granted would be spent on foreign procurement, thus drawing down foreign exchange reserves without generating inflationary pressures at home.

The projected creation, with the assistance of the International Finance Corporation, of a Congolese development bank may also ease the credit shortage, at least as regards major medium and long-term loans of developmental interest. In addition, a special credit institution for credit to small agricultural producers is under study.

Along with buoyant revenues, government spending has also increased. Budgetary balance achieved in the second half of 1967 turned into a deficit in 1968, most of it incurred during the first half of the year. Increasingly effective controls over spending instituted by the Finance Ministry during the fall helped to hold down the annual deficit to manageable, non-inflationary proportions.

Copper represents by far the Congo's most important export product. Production accounts for about 75% by value of mineral industry output and some 60% of total export earnings. Reinvestment of profits by the national copper company, Gecomin (successor to the former Union Miniere du Haut Katanga) is the basis for significant current increases in output.

According to preliminary figures, production reached 324,500 metric tons of copper in 1968. The estimate is for 360,000 tons in 1969. Production of other minerals also has been on the increase, although in some instances these have not yet recovered the levels attained before the 1967 mercenary rebellion.

After dipping in mid-1968 from the peak reached as a result of the U.S. copper strike, the Brussels' price for electrolytic copper rose to about 59¢ a pound in February 1969 and shows no signs of weakening. Indications so far are that copper earnings this year may prove to be as good or better than in 1968.

The agricultural recovery program launched in 1968 (proclaimed the "year

MODERN LUMBER CLEARING OPERATION IN CONGO is only one of many that require sizable investment. Present government is keenly aware of importance of foreign capital and know-how, and has made it clear that it will welcome American interest both in trade and investment.

of agriculture" by President Mobutu) also achieved good success, particularly with respect to Robusta coffee, cotton and rice. In view of approaching Congolese self-sufficiency in the latter two commodities, US PL 480 assistance in future will probably be limited to wheat-flour and tobacco.

Restoration of security in the rural areas appears as the principal reason for this positive development. The monetary reform stimulated agricultural output initially by increasing local currency returns, but rising costs, higher rates of export duty and other taxation, and credit restrictions began to limit returns.

In manufacturing, the short-run impact of the monetary reform has not been positive, but the present squeeze should be a transitory phenomenon, preparing the way for a much healthier situation than in the past.

A combination of tight credit, lower effective demand, and tough competition from imports entering the country free of previous quantitative restrictions have brought about a decline in certain sectors. The textile industry has been particularly hard-hit by import competition, with domestic production down by as much as a third from previous levels.

Relief is in sight, however; the Congolese Government has indicated that it may grant higher tariff protection for textiles and certain metal-working industries such as metal furniture, bicycles and cooking utensils.

Credit a problem

Many managers regard credit restrictions as their most serious problem. The transition from a sellers' to a buyers' market in some product lines requires modernization of plant and equipment as well as the ability to offer buyers better credit terms in order to enable domestic industry to compete more successfully with imports. This in turn requires investment and credit.

Commercial activity has also suffered from financial impediments, adjustment problems and particularly from transport difficulties. Like the manufacturers, who find themselves increasingly confronted with a buyers' market, importers discovered that they had to readjust their whole approach to marketing after the insulation from competition assured by the old import quota system was removed.

Delays and difficulties encountered in shipping goods into the interior have posed grave problems for the traders, but there have been improvements in some areas. The beginning of 1969 saw indications of an upturn in commercial activity, particularly in the volume of imports.

Principal growth causes

Recent economic progress may be attributed to two principal causes: (1) Political stability and general internal security enjoyed by the Congo since the collapse of the 1967 mercenary rebellion; (2) the stabilization program implemented in June 1967 under International Monetary Fund (IMF) auspices. While the IMF standby credit underlying the stabilization program was never drawn against and lapsed in 1968, the Congolese authorities have attempted to adhere to the economic policies formulated in conjunction with IMF.

Despite the continued existence of major problem areas and potential dangers which could upset the current positive trend, the impressive gains achieved since the adoption of the reform measures attest eloquently to the soundness of these policies.

The 1967 data show a decline in both exports and imports, with a particularly sharp drop in the latter category. As a result, the balance on current account increased by 30% between 1966 and 1967, and the Congolese gold and foreign exchange position improved markedly.

Imports from the United States fell off, but not as sharply as the overall figure, and the balance between AID-financed and straight commercial sales shifted slightly in favor of the latter category.

Available data are still insufficient to show reliable foreign trade trends for 1968. Such information as is available indicates that total Congolese exports rose very sharply to an estimated $570 million. While imports also increased somewhat, the balance of trade in visibles probably runs somewhere between $200 and $300 million, which is much higher than in previous years.

Infrastructure deficiencies, particularly transportation problems, continue to exert the most serious drag on economic activity. In part the situation results from the immutable geography of the Congo, which, though well-endowed with navigable rivers in the vast interior and with considerable railroad mileage, is obliged to trans-ship goods at a number of various points.

The turbulent years experienced by the Congo after independence resulted in grave deterioration of much of the transportation infrastructure in existence before 1960. The situation now is showing some improvement: Significant road construction and maintenance programs are under way in various parts of the country, financed in large part by AID-generated counterpart funds. The agricultural recovery program included a program for obtaining road building equipment and trucks. Major investment and organizational efforts are required before delays in moving goods can be reduced to more reasonable periods.

The public but semi-autonomous transport agency, Otraco, responsible for part of the Congo's rail system and much of its river and road transport, is slowly improving operations. Prospects for significant World Bank assistance to this agency in modernizing and streamlining operations were enhanced by the recent Congo visit of IBRD President McNamara.

In the communication sector, the Congo's postal and telecommunications services have been converted into another parastatal agency managed by the Bell Telephone Co. of Belgium, with a view to modernizing and extending its operations.

The Congolese Government has progressed far enough toward restoring equilibrium in public finances and the balance of payments to be able gradually to lift restrictions on current foreign transactions. Foreign investors are now permitted to repatriate their profits.

The impressive achievements under the stabilization program and the positive economic trends in the Congo today find reflection in rapidly rising foreign business interest and confidence. During the first two months of 1969 the Congo played host to an almost continuous succession of important foreign commercial missions from Western and Eastern European countries as well as other African states.

The Kinshasa International Fair, scheduled for July, is expected to enhance both foreign business interest and the Congo's new image of political stability and economic progress. In aviation, shipping and telecommunications the Congo is steadily increasing its links with other parts of the world. Private foreign investment and foreign development projects (bilateral and multilateral) are under active discussion or in process of implementation.

Traditional and new ties between the Congo and Western Europe, particularly Belgium, as well as with Japan, are being strengthened and can be expected to have beneficial effects on the economy.

Canada to require listing of contents on all food labels

Consumer Ministry to propose dates for product compliance

The labels of food products sold in Canada must carry a declaration of ingredients as soon as may be feasible, according to a trade information letter of the Food and Drug Directorate, Canadian Department of National Health and Welfare.

The letter, which was made public Mar. 27, said the labeling decision is based on the premise that the consumer has the right to know what ingredients are present in foods and that there is a particular need for those consumers who suffer from food allergy or intolerance to avoid certain ingredients. It is the Directorate's view that the ingredients should be declared in a manner which is meaningful to the consumer, and as far as practicable, specific common names rather than functional group names should be used.

The Bureau of Consumer Affairs, Department of Consumer and Corporate Affairs, and the Food and Drug Directorate propose to present to industry a schedule of target dates by which certain groups of foods will be expected to meet the new labeling requirements. In the meantime, the government urged industry to work, on a voluntary basis, toward the objective of listing ingredients on the labels of all foods.

Has caused problems

During a recent discussion on this subject in the Canadian Parliament it was pointed out that a number of anomalies have appeared as a result of Canada's not previously insisting on ingredient labeling. For instance, food manufactured in the United States and exported to Canada by the parent of a Canadian branch plant bears accurate labeling because of U.S. Government legislation. Therefore products that are similar to each other, almost identical in some cases, if made in Canada frequently have no labeling of ingredients whereas they do if made in the United States.

On the other hand there have been instances where Canadian manufacturers market their products in Canada without labeling the ingredients because the government does not require them to do so; yet when exporting the same product they have labeled the ingredients to comply with the regulations of the country to which they are exporting.

Argentina widens coverage on capital goods duty cuts

The Government of Argentina recently extended the areas of industrial activity eligible under Decree 1756/68 (INTERNATIONAL COMMERCE, May 7, 1968) for import duty reductions on capital goods. Decree 662/69, published Mar. 7, 1969 in the *Boletin Oficial*, added to the eligible list the manufacture of wood, plastics, rubber, containers, beer, electrical machinery, apparatus and components, and paper (except paper pulp).

These reductions of from 50%-90% to a uniform 20% duty are subject to the same provisions contained in 1756/68. Industries originally eligible under that decree were: textiles employing local raw materials, foods (excluding beverages, sweets and tobacco), chemicals (excluding cosmetics, perfumes and toilet articles), construction materials, machine tools, heavy equipment and parts for the same, stainless boilers, leather, industrial ceramics and electronics. Further information and the texts in Spanish of both decrees are available from the American Republics Division, OIRE/BIC, Department of Commerce, Washington, D.C. 20320.

Danish export credit guarantees expanded

The Danish Parliament recently enacted legislation which increases the ceiling on government commitments under the export credit insurance arrangement from five billion Danish crowns ($666 million) to 6.5 billion crowns ($866 million). The higher ceiling on total commitments was needed because of a steady increase in demand for export credit insurance.

Danish construction of ships for foreign owners plays an important role in the need for this insurance. On Oct. 31 of last year, 58% of all government commitments under the export credit insurance program were in connection with ship construction.

The Danish Export Credit Council has recently received applications for large additional amounts of export credit guarantees covering both ships and other industrial products. A further increase is anticipated because of the continuing expansion of industrial exports.

Besides increasing the ceiling for export credit insurance commitments, the new legislation broadens somewhat the insurance coverage against political risks. In the past the guarantee against losses from political risks was limited to risks in the debtor country. The arrangement has now been extended to cover foreign political risks in general.

For example, it will include guarantees against losses which exporters may sustain from increased freight costs which result from a changed political situation, or from the necessity of discharging goods in ports outside the buyer country.

Spain's tax-free shops

The Government of Spain recently authorized the establishment of tax-free shops in the country's international airports. The shops can sell only domestically produced items to departing or in-transit travelers. Because these goods will in effect be exported, the seller will be eligible for the usual rebate of indirect taxes, as specified in the Spanish Customs Tariff.

UN, World Bank aid study of Turkish transport system

The Government of Turkey, the United Nations Development Program and the World Bank have signed an agreement providing for a transport coordination study and the preparation of a long-term program for improvements in the administration and operation of the Turkish State Railways, and of a ten-year railway investment program.

The United Nations Development Program has allocated $869,900 for the project. The Turkish Government is contributing funds and services equivalent to $234,000. The World Bank is Executing Agency and has retained the Italian consulting firm, Italconsult S.p.A. of Rome to carry out the studies. The consultants began their field work on Mar. 10 and the project is scheduled for completion in three years.

Joint U.S.-India fertilizer project gets AID backing

Assistance enables private financial groups to participate

A fertilizer complex in India, organized by U.S. and Indian private enterprise with a planned nitrogen capacity greater than that of any existing plant in the country, will receive the backing of the Agency for International Development.

The $70 million project planned by Zuari Agro Chemicals, Ltd. is a joint venture of U.S. Steel and one of the Birla group of Indian industrial firms.

AID's extended risk guaranty coverage of $9 million of the U.S. bank and insurance syndicate's loans, which guarantees the repayment of the loans, was regarded as an essential ingredient in the project financing by institutional lenders.

Equity investments in the project by U.S. Steel, Bank of America and the First Chicago International Corp. totaling more than $7 million, also are insured by AID against loss up to 50% under extended risk guaranties.

AID will lend the Zuari firm more than $25 million equivalent in Indian rupees to help finance local costs. This is the largest so-called Cooley loan ever made to a single project. Funds for Cooley loans are drawn from proceeds of sales of U.S. agricultural commodities to developing countries, paid for in local currencies, under the Food for Freedom program. Such loans are available for projects of U.S.-affiliated private firms in several countries.

Located in Goa

The fertilizer plant, to be located in Goa, on the west coast of central India, will have an annual production capacity of 200,000 metric tons of ammonia, which will be converted into prilled urea. A portion of the urea production will be blended to produce a compound fertilizer.

AID has provided loan capital for two other fertilizer plants in India. The first private venture in the fertilizer industry there, Coromandel Fertilizers Limited, received capital loans in 1964 totaling $44 million, including $17 million in rupees, from AID and the Export-Import Bank. The funds were used by the company—formed by two U.S. firms, the Chevron Chemical Co. (a subsidiary of Standard Oil of California) and the International Minerals and Chemical Corp., as well as Indian interests—to build a fertilizer plant at the port of Visakhaptnam in the south Indian state of Andhra Pradesh. An additional $5 million in rupees was advanced by AID as a Cooley loan in 1967 for expansion of the facilities. The plant, which opened in December, 1967, is producing nitrogen and phosphate fertilizers at near capacity.

AID has also issued specific risk and extended risk guaranties covering investments of a Standard Oil Company of Indiana subsidiary, Chemical Bank New York Trust Company and other U.S. institutions in Madras Fertilizers, Ltd. for a $70 million plant in Madras, India.

New York firm fined $500 for export law violations

Civil penalties totaling $500 have been paid by Schenkers International Forwarders, Inc., a New York freight forwarding firm, for violations of the Export Control Act. The penalties were imposed under a 1965 law authorizing the Department to levy monetary penalties for minor violations of the Act.

Schenkers was charged by the Department's Bureau of International Commerce (BIC) with several types of violations including use of general licenses in the exportation of goods that required specific validated licenses; failure to include appropriate destination control statements on commercial invoices; failure to have all export documents in conformity, and making exportations prior to approval of export documents by Customs. The Department said there was no compromise of national security in any of the violations.

Schenkers did not contest the charges and consented to the fine. Officials of the firm said the activities complained of resulted from clerical errors of its employees and were not wilfully committed.

The 1965 law authorizes imposition of monetary penalties by the Department to deal with export control violations of a minor nature that do not affect national security. Previously the Department was limited to denying the violator participation in export transactions; this is considered too drastic for minor violations.

IFC, ADELA back Brazil pulp and paper industry

The International Finance Corporation will provide a substantial part of $6 million needed to complete the financing of a $33 million equivalent kraft pulp and paper industry in the State of Santa Catarina in Southern Brazil.

Half of the new funds will be raised by the issue of convertible debentures and the balance will be supplied in the form of a loan by Banco Nacional do Desenvolvimento Economico (BNDE), the national development bank of Brazil.

ADELA Investment Company, S.A. is taking a $375,000 participation in the $1.1 million IFC commitment. IFC is the affiliate of the World Bank that invests in businesses in developing member nations.

Convertible debentures are a relatively new investment technique in Brazil which it is hoped will contribute to the development of the Brazilian capital market. The new $6 million financing is to cover working capital requirements during the first year of operation and overrun costs stemming principally from the effects of currency devaluation.

ADELA provides seed capital to private enterprise throughout the hemisphere, in order to speed economic integration and the consequent enlargement of Latin markets for specific products. Its 1968 report listed projects valued at $800 million in 17 countries.

Kearns, new Eximbank head, has broad background in international business

Henry Kearns, the new President and Chairman of the Board of Directors of the Export-Import Bank of the United States, has a broad background of both public and private service in the field of international business.

From 1957 until 1960 he was Assistant Secretary of Commerce for International Affairs, during which time he was assigned as chairman of the International Trade Fair Committee, the Trade Missions Committee, the Committee on Export Expansion the Inter-Agency Committee for the Reciprocal Trade Agreements Act, and the Cabinet-Level Trade Policy Committee. He has also served on the National Council of Consultants, Small Business Administration.

In the private line, Kearns has served as a principal in a number of business ventures in California.

French firms seek items under licenses

Want licenses to make electronic equipment and expansion joints

Two French companies are seeking licensing agreements, one to manufacture electronic equipment and the other to make expansion joints for concrete bridges.

A French firm seeks licensing rights or contract manufacturing arrangement for the production of electronic data-processing equipment, peripherals, industrial and medical electronic equipment, and electric household appliances.

The company operates as a sub-contractor manufacturing and assembling electronic and electrical equipment for IBM-France, Bull-General Electric, Alsthom, Thomson-CSF, Aeronautique Marcel Dassault and others.

The French firm has no sales organization and is not interested in marketing its output. Its annual sales are $3 million and it employs approximately 150.

Write: Societe Morari, 43-45 rue du Moulin d'Enfer, 94-Maisons Alfort, France. WTD. **P-69527.**

A license to produce expansion joints for concrete bridges, heavy and medium weight with complete accessories including bolting system, is sought by a French paint and coating manufacturer.

The firm, which employs 75 persons, has some experience in the manufacture of expansion joints.

Write: Mr. Gilbert Conin, Entreprise Revetements Speciaux, 23 avenue des Tilleuls, 45-Chalette, France. WTD. **P-69532.**

U.S. collaboration sought for planned tourist complex

A U.S. partner for the development of a tourist complex is sought by the owner of 700 acres of coastal land in British Honduras. The land which is partially cleared has a pier and a 3,000 foot airstrip already under construction.

Proposed plans for this development known as "Caribbean Shores," will include a hotel or motel, a marina, private water docks, a clubhouse, parks, playgrounds, tennis courts and golf courses. It is also hoped that retirement and vacation homes can be developed on 1,600 lots having an estimated value of $3,300 each.

To obtain further information about this opportunity interested U.S. companies should **contact:** Mr. H. A. Walter, c/o Fort George Hotel, Belize City or 4680 Main Street, Snyder, New York, U.S.A. **P-69540.**

Ceylonese firm proposes instant tea venture

A Ceylonese firm seeks a joint venture with a U.S. firm for the manufacture of instant tea. The company desires U.S. machinery and technical know-how. In return, the U.S. investor will be offered a minority equity of 48%, or if desired, technology and machinery can be purchased on a fixed fee basis.

Write: Mr. Merrill J. Fernando, Merrill J. Fernando Co., 188/190 Vauxhall St., Colombo 2, Ceylon, WTD. **P-69538.**

Belgian producer wants U.S. licenses

Firm interested in agricultural machinery and metal products

A Belgium producer of grain sowers, fertilizer dispensing apparatus and other farm implements seeks licensing arrangements with U.S. firms. It is prepared to offer a U.S. firm a percentage of ownership in the operation.

The Belgium concern is interested in the manufacture of such additional agricultural machinery as cultivators, harvesters, threshers and harrows. It also seeks licensing or sub-contracting agreements for the manufacture of metal office furniture, metal frames for fluorescent lighting equipment and industry in general, materials handling equipment and metal tanks and containers.

In addition, the firm is equipped to handle the finishing and assembling of all types of moulded pieces for pumps ventilators, speed reducers, and roller bearings.

Firms interested in obtaining additional information on this opportunity should **contact:** Mr. Pierre de Saint Hubert, c/o Usines Edouard de Saint Hubert S.C., Orp-le-Grand, Belgium. WTD. **P-69542.**

British paper firm wants to make additional products

A British company engaged in the production and printing of paper and paper board materials seeks licenses to manufacture additional products in this field. These could include calendars, educational books, toys, business and greeting cards, souvenirs, diaries, wall charts, advertising materials, games and promotional displays. The firm is a subsidiary of a large British industrial holding company.

A director of the British concern, Mr. R. Geoffrey Smith, plans to arrive in the U.S. April 28 for a three week visit.

U.S. firms interested in pursuing this opportunity may wish to contact Mr. Smith at 5 East 66th St., New York, N.Y. 10021. Telephone (202) RE 7-7100. For further details **write:** W. S. Cowell Ltd., 8 Butter Market, Ipswich, Suffolk, England. WTD. **P-69539.**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

World Trade Opportunities Continued through page 39

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

012 Fruit, tree nut, vegetable farms

GERMANY—Apples, oranges. Requests price quotations f.o.b. American ports or c.i.f. Rotterdam. Requests replies in German. Heinrich Hill AG. (importer, retailer, wholesaler), 41 Eickener Strasse, 432 Hattingen/Ruhr. WTD 3/69.

Apples, oranges. Requests price quotations c.i.f. Rotterdam. Requests replies in German. Wilh. Lutter GmbH. (importer, retailer, wholesaler), 4 Duesseldorf, Hammer Strasse 11-15. WTD 3/69.

201 Meat products

AUSTRIA—Canned poultry, game, specialties for delicatessen stores. Direct purchase and agency. Erich Schenkel & Sohn (importer, wholesaler, selling agent, retailer), Hasenauerstrasse 2, A-1190 Vienna. WTD 3/69.

GERMANY—Canned luncheon meat, canned poultry, frozen turkey drumsticks, frozen hares, poultry, ducks. Requests price quotations c.i.f. Rotterdam. Requests replies in German. Wilh. Lutter GmbH. (importer, retailer, wholesaler), 4 Duesseldorf, Hammer Strasse 11-15. WTD 3/69.

Canned luncheon meat, poultry, frozen turkey drumsticks, frozen hares, poultry, ducks. Requests price quotations f.o.b. American ports or c.i.f. Rotterdam. Requests replies in German. Heinrich Hill AG. (importer, retailer, wholesaler), 41 Eickener Strasse, 432 Hattingen/Ruhr. WTD 3/69.

IVORY COAST—Frozen meats, poultry. Requests prices c.i.f. Abidjan for average size shipment. Requests replies in French. M. Jean Bergounioux, Ets. Jean Bergounioux (importer, distributor, retailer), B.P. 284, Abidjan. WTD 3/69.

202 Dairy products

● **ALGERIA**—Sweet concentrated canned milk, 10,000 tons; unsweetened evaporated milk, 7,000 tons; whole powdered milk, 200 tons; and skimmed milk powder, 400 tons. Bid deadline, Apr. 20. GAIRLAC, 30 Rue Edgar Quinet, Algiers.★ (Telephone: 202-967-4793).

203 Canning, preserving foods

AUSTRIA—Canned food specialties. Direct purchase and agency. Erich Schenkel & Sohn (importer, wholesaler, retailer, selling agent), Hasenauerstrasse 2, A-1190 Vienna. WTD 3/69.

FRANCE—Pickles, meat sauces, salad dressings, mayonnaise, sandwich spread, catsup, other tomato sauces, canned soups, jams, jellies, corn. Direct purchase and agency. Societe Feedal (importer, wholesaler), 9 Rue Mejanes, 13- Aix-en-Provence. WTD 3/69.

GERMANY—Canned fruits, vegetables, fruit juices, fish; dried fruits, vegetables (prunes, apricots). Requests price quotations c.i.f. Rotterdam. Requests replies in German. Wilh. Lutter GmbH. (importer, retailer, wholesaler), 4 Duesseldorf, Hammer Strasse 11-15. WTD 3/69.

Canned fruits, vegetables, fruit juices, fish; dried fruits, vegetables (raisins, prunes, apricots). Requests price quotations f.o.b. American ports or c.i.f. Rotterdam. Requests replies in German. Heinrich Hill AG. (retailer, wholesaler, importer), 41 Eickener Strasse, 432 Hattingen/Ruhr. WTD 3/69.

IVORY COAST—Full line of canned food products. Requests prices c.i.f. Abidjan for average size shipment. Requests replies in French. M. Jean Bergounioux, Ets. Jean Bergounioux (importer, distributor, retailer), B.P. 284, Abidjan. WTD 3/69.

SWEDEN—Frozen, canned foods; raw materials for food industry. Agency and direct purchase. Ekman & Becksen AB (agent, importer, wholesaler), Kristinlundsgatan 16, S-411 37 Goteborg C. WTD 4/68.

204 Grain mill products

FRANCE—Pretreated rice; pancake, waffle mixes. Direct purchase and agency. Societe Feedal (importer, wholesaler), 9 Rue Mejanes, 13- Aix-en-Provence. WTD 3/69.

205 Bakery products

FRANCE—Biscuits. Direct purchase and agency. Societe Feedal (importer, wholesaler), 9 Rue Mejanes, 13- Aix-en-Provence. WTD 3/69.

208 Beverage industries

FRANCE—Bourbon whiskey. Direct purchase and agency. Societe Feedal (importer, wholesaler), 9 Rue Mejanes, 13- Aix-en-Provence. WTD 3/69.

209 Food preparations

CYPRUS—Unpopped corn in 100 lb. bags. Agency and direct purchase. Furnish samples, quote c.i.f. Cyprus. Lambis G. Constantinides Ltd. (manufacturers' agent, importer, distributor), P.O.B. 1586, Nicosia. WTD 11/68.

FRANCE—Peanut butter; honey. Direct purchase and agency. Societe Feedal (importer, wholesaler), 9 Rue Mejames, 13- Aix-en-Provence. WTD 3/69.

221 Broad woven fabric mills, cotton

SWEDEN—Fashion fabrics for men's, youths', boys' shirts: cotton, cotton/manmade fiber, non-iron cotton. Lindstrom & Pettersson AB (manufacturer), Storavagen 2, S-410 51 Ganghester. WTD 7/68.

222 Broad woven fabric mills, manmade fiber, silk

SWEDEN—Fashion fabrics for men's, youths', boys' shirts, manmade fiber. Lindstrom & Pettersson AB (manufacturer), Storavagen 2, S-410 51 Ganghester. WTD 7/68.

239 Fabricated textile products

AUSTRIA—Chemically treated cloth for dry window cleaning, pot cleaning cloth, silicon-treated car polishing mops, non-skid ice mats for outdoor stairs, silver polishing gloves or cloth, quilted-vinyl underbed shoe chests, quilted-vinyl shelf bags, special pillows saving hair-do overnight, light-weight full-size blanket which folds into pocket-size, similar novelties. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

262 Paper mills, products

FRANCE—Nonwoven cellulose or other fiber sanitary tissues, beauty aids such as facial tissues, applicators, cleaners. Direct purchase and agency. Interested in obtaining licensing rights for such products. Cypris, S.A. (manufacturer, wholesaler), 68 Soultz. WTD 9/68.

264 Converted paper, paperboard products

AUSTRIA—Self-adhering photo mounts; rug fastening tape. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/68.

GERMANY—Very high quality wallpaper. Requests price quotations c.i.f. European ports. Requests replies in German. Direct purchase and agency. Fausel, Biskamp & Co. (importer, exporter, retailer, wholesaler), 22 Bismarckstrasse, 4 Duesseldorf. WTD 2/69.

● **IRAN**—Supply 106,000 Bobbins of imitation cork tape for sticking cigarette filters. Width to be 38 mm. wide; length of each bobbin to be 600 meters and the core diameter, 65 mm. Substance to be 34 gms. $m^2 \pm 2$ gms. with a lengthwise resistance of at least 2 kg. per centimeter. Bid deadline June 5. Copy of tender containing specifications and conditions available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3530).

273 Books

AUSTRIA—Giant (roll-type) coloring books for children. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

281 Industrial chemicals

● **ECUADOR**—Aluminum sulfate, (17% Al_2O_3), 900 metric tons, must meet specifications of American Water Works Assoc. Bid deadline Apr. 21, tender number EMAP No. 1. Address Secretaria Empresa Municipal de Agua Potable, Calle Garcia Moreno No. 883, Quito. Packaging not now specified but believed to be bagged material. Copies of specifications expected. Correspondence preferred in Spanish. Chemicals Division, Washington, D.C. 20230.★ (Telephone: 202-967-3468).

SWEDEN—Chemicals for paper, lacquer, varnish, plastic, chemical-technical, food industry. Direct purchase and agency. Bjurman & Co. AB (agent), Sodergatan 19, S-211 34 Malmo C. WTD 4/68.

282 Synthetic materials

PORTUGAL—Viscose rayon fiber. Direct purchase and agency. E. Brunner & Ca. Lda. (importer, wholesaler, agent), 13-2° Rua de Avis, Oporto. WTD 10/68.

SURINAM—Polyethylene resins, other raw materials for manufacture of plastic packaging materials. Requests price lists. N. V. Tjoe A Long (manufacturer), P.O. Box 218, Paramaribo. WTD in preparation.

SWEDEN—Synthetic manmade fibers used in manufacturing cordage, twine. AB Knut Westerbergs Repslageri (manufacturer, wholesaler, importer), Dagsbergsvagen, S-603 61 Norrkoping. WTD 3/69.

283 Drugs

● **CONGO (Kinshasa)**—The Ministry of Health of the Democratic Republic of the Congo, Kinshasa, has issued four invitations (in French) for bids for the supply of drugs and pharmaceuticals as follows:

Invitation No. 89/69, bid deadline May 2, calls for bids on nine items, including 20 ampuls of adrenocosticotrophin; 100,000 ampuls of diethylstilbestrol; 100,000 ampuls/25 mg testosterone; 100,000 ampuls/25 mg prednisolone.

Invitation No. 91/69, bid deadline May 5, calls for bids on seven items, including 6,000 ampuls antirabies serum; 20,000 ampuls/3,000 I.U. tetanus antitoxin; 20,000 ampuls/10,000 I.U. tetanus antitoxin; 300 ampuls/5 ml anticholera vaccine.

Invitation No. 92/69, bid deadline May 8, calls for bids on two items, 20 million tablets of Sulfone-Mere, and 100,000 ampule/50 gm. Sulfone-Mere solution.

Invitation No. 98/69, bid deadline May 10, calls for bids on 11 items, lactic acid; 150 drums/10 kg. benzoate of soda; 50 drums/20 kg. lactose; 1,000 drums/1 kg. chloroquine phosphate.

Correspondence in French is preferred.

Copies of these tenders are available from the Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-3394).

284 Soap, detergents, cleaning preparations, soap, perfumes, cosmetics

AUSTRIA—Rust remover for tools, fluorocarbon polymer spray to repair such utensils; cleaning agents for silver tableware; cookware cleaners; leather (shoe) stretching sprays. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

285 Paints, varnishes, lacquers, enamels

GERMANY—Dispersion lacquers, protective varnish, compound for buildings. Direct purchase and agency. Disbon Gesellschaft mbH (manufacturer, distributor, importer, exporter), 6105 Ober-Ramstadt, Rossdorfer Str. 50. WTD 3/69.

Dispersion lacquers; all kinds of varnishes for buildings. Direct purchase and agent. Dr. Franz Boettiger KG (manufacturer, distributor, importer, exporter), 6050 Offenbach/Main, Buchhuegelallee 48. WTD 3/69.

289 Chemical products

● **IRAN**—Bids for 35,000 Kg. filter adhesive and 5,000 Kg. hardbox glue are requested by the Iranian Tobacco Co., Tehran, Iran, by 9 a.m. on June 10. Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3512).

307 Plastic products

AUSTRIA—Plastic window greenhouse; plastic beverage containers with top for use in refrigerators. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

GERMANY—Plastic insulation material for buildings. Direct purchase and agency. Disbon Gesellschaft mbH (manufacturer, distributor, importer, exporter), 6105 Ober-Ramstadt, Rossdorfer Str. 50.

322 Glass, glassware

JAMAICA—Glass bottles, 6 oz., 12 oz., 24 oz., perfectly clear, with pry off cap, to hold grape or prune juice; requires 1,000 gross each annually. H. M. Brandon & Co. Ltd. (manufacturers' representative), 38A Harbour St., Kingston. WTD 3/69.

326 Pottery, related products

AUSTRIA—Porcelain hooks for towels. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

331 Steel mill products

● **INDIA**—Steel plate, 2,259 metric tons, in 15 sizes, fire box quality, ASTM-A517/67a,

grades B & F. Tender No. BPO/1112/26W/BSL/PR/56501-A/51461 Global; bid deadline June 19. Chief Purchase Officer, Beas Purchase Organization, Talwara Township, Hoshiarpur, Punjab. Import to be financed under IDA credit 89 (IN). Copies of specifications available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **IRAN**—Black iron wire: 16,100 kgs. of various lengths; ST-60 Round Steel: 70,000 kgs. of various lengths. Tender No. 1518/47; bid deadline May 27.

Rail anchor clips, 600 tons. Tender Nos. 1998 & 1999/47; bid deadline June 4. Iranian State Railways, Tehran. Copies of above tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

335 Rolling, drawing, extruding of nonferrous metals

● **SINGAPORE**—Supply of 66 kv submarine cables, underground connecting land cables, associated cables and accessories. Bid deadline May 30. Contact Office of Chief Electrical Engineer, Public Utilities Board, City Hall, Singapore 6, Republic of Singapore.

342 Cutlery, hand tools, general hardware

AUSTRIA—Lemon peelers, carrot strippers, tong-type toasters, tool holders, spring post book holders, similar gadgets. Direct purchase and agency. Heinrich Thonet (retailer, wholesaler), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

SWEDEN—Tools, mechanics' hand service, electricians'. Agency and direct purchase. Ingenjorsfirman Ake Wennberg (agent, wholesaler), Drottninggatan 9, S-652 25 Karlstad. WTD 3/68.

354 Metalworking machinery

PORTUGAL—Vertical grinding machine, external grinding. Direct purchase and agency. Sociedade Comercial Romar, Lda. (importer, dealer, distributor), Rua da Boavista 83-1°. Dto., Lisbon. WTD 3/69.

SWEDEN—Pneumatic hand tools. Agency and direct purchase. Ingenjorsfirman Ake Wennberg (agent, wholesaler), Drottninggatan 9, S-652 25 Karlstad. WTD 3/68.

355 Special industry machinery

AUSTRALIA—Ten to twenty biscuit-making machines, automatic, new or used, cuts and distributes prepared dough on trays, feeds into oven. Output of about 2,000 lbs. dough per day. Unit suitable for display in food retail outlets. Machines should be gas fired, 240/415 volt, 3 phase, 50 cycle. Purchase of 10-20 dough mixing machines to support machinery described above. Heine Brothers Australasia Ptv. Ltd. (importer, distributor, manufacturer), Attn: Mr. George Milton, 11 Loftus St., Sydney, N.S.W. 2000. WTD in preparation.

PORTUGAL—Canning, food packing machinery; complete slaughtering plants. Direct purchase and agency. Agricel (importer, distributor), Rua Rodrigues Sampaio 19-2°. A, Lisbon 2. WTD 3/69.

SURINAM—Machinery for manufacture of plastic packaging materials: polyethylene tube extruding machines, polyethylene bag sealing and welding machines, tube printing machines; blow molding and injection molding machines for manufacture of plastic rope, pipe, ice-cream cups, bottles. Requests descriptive brochures, price lists. N. V. Tjoe A Long (manufacturer), P.O. Box 218, Paramaribo. WTD in preparation.

TAIWAN—Machinery, equipment for manufacturing typewriter ribbons. The Mandarin Industrial Corp. (importer, exporter), 37 Section 1, Kaifeng St., Taipei. WTD 2/69.

362 Electrical industrial apparatus

● **TURKEY**—Supply 86 each various size diesel-alternator sets, bid deadline May 5. Bid Bonds 3%. Specifications (in English) available for $5.50 from the Bank of Provinces (IILER Bankasi Genel Mudurlugui), Ankara.

Valuable series

Which overseas markets have been good customers for products like yours, so that you can select those that show best future potential?

An excellent place to start your investigation is the U.S. statistics on exports—the Census Bureau's FT-410 series, which shows exports, by commodity, to country of destination.

From these monthly reports, you can learn which of some 169 countries have bought any of more than 3,000 U.S. products. By checking U.S. exports of your products for three or four years, you can determine which countries have been the largest and most consistent markets. In some instances, the FT-410 statistics will also give you an indication of the average price for your product in a given market.

"Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

363 Household appliances

AUSTRIA—Electric vacuum cleaners for automobiles; electric food ripener for household use; pocket-size wireless razors. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

364 Lighting fixtures

AUSTRIA—Self-recharging key-ring flash lights. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

365 Radio, television receiving sets

AUSTRIA—Pen-size, pen-shape radios, similar novelties. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

367 Electronic components, accessories

GERMANY—Semiconductor strain gages, solid state. Direct purchase and/or agency. Intermatic Ingenieurbuero Hans W. Schemm (sales agent, importer), 8031 Puchheim b. Muenchen, Lagerstrasse 60. WTD 10/68.

369 Electrical machinery, equipment, supplies

● **CEYLON**—Supply three units of the following X-ray equipment: shock-proof diagnostic X-ray apparatus; X-ray generators; control units; table units; explorator units; tomographic attachments; vertical chest stands; undercouch and overcouch dual-focus rotating anode tubes; dual-focus rotating anode tubes for replacement; high tension cables as spares; refrigerated complete processing units; films drying cabinets; spare rectifying valves for generators; 18 heavy duty cassettes, 10" x 8". Bid deadline June 10. Requested by The Department of Health, 5th Floor, Cylinco House, P.O. Box No. 584, Colombo, Ceylon. Terms and specifications available from the Scientific & Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

373 Ships and boats

INDIA—Diesel driven, twin-screw, seagoing, trailing suction hopper dredger complete with diesel driven dredge pump, electrically operated auxiliaries; about 2,500 cubic meters capacity. Vessel to be classed Lloyds + 100 A1. One copy outline of technical specifications available on loan from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Dept. of Commerce, Washington, D.C. 20230. Secretary, Kandla Port Trust, P.B. No. 50, Gandhidham (Kutch), Gujarat.

381 Engineering, laboratory, scientific, research instruments

TAIWAN—Proton magnetometers, susceptibility meters, gravity meters for geophysical prospecting. Direct purchase and agency. Sun Moon Star Co., Ltd. (importer), 81 Nei Chiang St., Taipei. WTD 3/68.

382 Instruments for measuring, controlling, indicating physical characteristics

GERMANY—High temperature strain gages, continuous hardness testing equipment, accelerometers, speedometers, shock and vibration meters, high fatigue testers, RMS analyzers, random generators, multi-channel filters, other materials testing instruments. Direct purchase and agency. Intermatic Ingenieurbuero Hans W. Schemm (sales agent, importer), 8031 Puchheim b. Muenchen, Lagerstrasse 60. WTD 10/68.

NEW ZEALAND—Snap action thermostats for use in electric steam and dry irons. Ralta Ltd. (manufacturer), P.O. Box 6283, Wellington. WTD in preparation.

384 Surgical, medical, dental instruments

CONGO (Kinshasa)—The Ministry of Health of the Democratic Republic of the Congo, Kinshasa has issued an invitation (in French) for bids for the supply of bandage

and gauze. Invitation No. 76/69, bid deadline Apr. 30, calls for bids on seven items, including 30,000 rolls of adhesive bandage; 20,000 boxes of compress gauze and 50,000 packages of elastic bandage.

Correspondence in French is preferred.

Copies of this tender are available from the Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-3394).

FRANCE—Medico-surgical equipment of modern types for physicians, surgeons, dental surgeons, hospitals, clinics, including cobalt-therapy equipment; X-ray apparatus; electrocardiographs; metabolism testers; monitoring systems, other up-to-date instruments, electromedical surgical devices, related accessories, supplies. Price lists, illustrated literature requested. Direct purchase and agency. Maison du Medecin (Societe d'Exploitation de la) (dealer, sales agent), 26 Rue des Marchands; 31- Toulouse, Haute-Garonne. WTD 3/69.

HONDURAS—Complete line of hospital equipment, supplies to install in new hospital. Rotary Club de Tela (service organization), Attn: Julio Flores G., Pres., Tela, Atlantida.

ITALY—Safety material, supplies for chemical, steel, mining industries, especially pvc gloves, masks, goggles, helmets. Direct purchase and agency. F.A.P.I. (manufacturer), Via Aldo Rossi 28, Grugliasco (Torino). WTD 3/69.

386 Photographic equipment

● **AUSTRALIA**—Supply of high speed-high intensity pulsating light source for high speed photography. Tender No. TO9-218/7/94, bid deadline Apr. 24. Requested by Commonwealth of Australia, Dept. of Supply, Anzac Park West Building, Constitution Ave., Canberra 2600, Australia. Terms and specifications available on a loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● **KOREA**—Supply of 170 rolls, X-ray, fluorography film, various sizes; 1,240 packages, X-ray, radiographic film, various sizes; 50 packages, X-ray, dental film, 3 x 4 cm.; 300 rolls, black and white film, various sizes; 10 rolls, color movie film, double 8 mm. Tender No. CR/SLC-9029-N, bid deadline Apr. 22. Requested by Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on a loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

394 Toys, amusement, sporting goods

AUSTRIA—Battery-operated massage vibrator; up-side down rag dolls. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

399 Manufacturing industries

AUSTRIA—Novelty gadgets such as hand-operated midget sewing machines, portable address printer, decorative self-adhering memo holders and memo roll sets, pocket-size collapsible full-length mirror, tissue cases with mirror, metal pot drainer, moisture-proof salt and pepper shaker for picnics, self-adhering car windshield protector, playthings for pets. Direct purchase and agency. Heinrich Thonet (wholesaler, retailer), Gaertnerstrasse 12 a, A-5020 Salzburg. WTD 3/69.

Austrian firm interested in computer programs

An Austrian firm, RAG Datenverarbeitungs Ges.m.b.H., Rathausstrasse 20, P.O. Box 75, A-1016 Vienna, seeks to establish a working arrangement with U.S. companies engaged in the preparation of computer programs for use in operations research and related activities.

The firm would like to buy programs, particularly for direct cost accounting, optimal stocking, sales prognosis, measuring the effect of sales promotion activities, and other similar programs.

Buying the programs and related "know-how" is preferred, but licensing arrangements or a partnership are not excluded.

Personnel of the firm would be prepared to travel to the United States after initial contacts have been established to discuss arrangements. WTD 3/69.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilites in foreign countries, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE., N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 725-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

201 Meat products

CANADA—Canned meats and meat specialties, well-known and well-advertised brands, not yet represented in Canada. Established nation-wide distribution—supermarkets, drug and variety stores, and wholesalers. Exclusive Agency. Holtzheuser Bros. Ltd., 86 Queen Elizabeth Blvd., Toronto 18, Ontario.

203 Canning, preserving foods

CANADA—Canned and preserved fruits, vegetables, and sea foods, well-known and well-advertised brands, not yet represented in Canada. Established nation-wide distribution—supermarkets, drug and variety stores, and wholesalers. Exclusive Agency. Holtzheuser Bros. Ltd., 86 Queen Elizabeth Blvd., Toronto 18, Ontario.

204 Grain mill products

SWITZERLAND—Prepared poultry and livestock feeds, feed supplements, vitamin and protein feeds. Frey & Co., Burgauerstrasse 17, 9230 Flawil, Attn: Mr. K. Schatzmann.

207 Confectionery

CANADA—Candy and other confectionery products, well-known and well-advertised brands, not yet represented in Canada. Established nation-wide distribution—supermarkets, drug and variety stores, and wholesalers. Exclusive Agency. Holtzheuser Bros. Ltd., 86 Queen Elizabeth Blvd., Toronto 18, Ontario.

Dehydrated food specialties, hostess bar products, spices. B. L. Marks Sales Co. Ltd. (agent, wholesaler), 125 Cartwright Ave., Toronto, Ontario. WTD 6/68.

209 Food preparations

CANADA—Dehydrated food specialties, hostess bar products, spices. B. L. Marks Sales Co. Ltd. (agent, wholesaler), 125 Cartwright Ave., Toronto, Ontario. WTD 6/68.

Miscellaneous food specialities and kindred products, well-known and well-advertised brands, not yet represented in Canada. Established nation-wide distribution—supermarkets, drug and variety stores, and wholesalers. Exclusive agency. Holtzheuser Bros. Ltd., 86 Queen Elizabeth Blvd., Toronto 18, Ontario.

221 Broad woven fabric mills, cotton

MALAWI—All types of cotton broadcloth, patterned and plain; including "seconds," close-off lines. Fair-Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

228 Yarn, thread mills, products

MALAWI—Knitting, sewing thread for factory use, domestic sewing. Fair Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

229 Textile goods

SWITZERLAND—Non-wovens, for industry, hospitals, catering trade. Polytechna AG (importer, distributor), Attn: Mr. H. R. Brungger, Zimmergasse 16, P.O. Box, 8032 Zurich. WTD 3/69.

239 Fabricated textile products

SWITZERLAND—Disposable non-woven supplies for industry, hospitals, catering trade. Polytechna AG (importer, distributor), Attn: Mr. H. R. Brungger, Zimmergasse 16, P.O. Box, 8032 Zurich. WTD 3/69.

281 Industrial chemicals

SWITZERLAND—Industrial chemicals for metal, chemical, textile industries, incl. solvents. Frey & Co., Burgauerstrasse 17, 9230 Flawil, Attn: Mr. K. Schatzmann.

284 Cleaning preparations

SPAIN—Dry cleaning preparations. Exclusive agency. Garby (importer, distributor), Urbiera 20, San Sebastian, Guipuzcoa. WTD 3/69.

287 Agricultural chemicals

FRANCE—Fertilizers primarily for fruit trees grown in orchards in southwest France; insecticides, fungicides, related phytosanitary products for protection, treatment of orchards. Hugonnet & Cie, Maurice (jobber, sales agent), Place Roger-Delthil; 82- Moissac, Tarn-et-Garonne. WTD 3/69.

289 Chemical products

FINLAND—Anti-pollutant chemicals for water, particularly from woodprocessing mills. Desires exclusive representation as importing distributor, or, alternatively as agent on commission basis. Osakeyhtio EKSTROMIN Koneliike (importer, distributor, agent), Aleksanterinkatu 7, Helsinki 10. (P.O. Box 10310, Helsinki). Contact: Mr. Heikki Vuorilehto, Dir. WTD 2/69.

306 Fabricated rubber products

SWITZERLAND—Transmission belting. Polytechna AG (importer, distributor), Attn: Mr. H. R. Brungger, Zimmergasse 16, P.O. Box 8032, Zurich. WTD 3/69.

331 Steel mill products

MALAWI—Steel nails for building purposes; corrugated and plain steel roofing sheets. Fair-Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

352 Farm machinery

FRANCE—Machinery, equipment, and supplies for farm-fields, orchards, fruit-packaging establishments, such as fruit-sizers and graders; fruit-pickers, cleaners, washers, driers; automatic fruit-weighers; box-dumpers; paller bins; stapling machines for prepackaging; containers: plastic and other types for apples, peaches, pears; fruit-handling equipment: elevators, pallets); sprayers: power and speed and other categories of light- and medium-duty machines and attachments designed for preparing vegetable and fruit crops for shipment to wholesale markets. Catalogs, price lists requested. Hugonnett & Cie. (Maurice) (jobber, sales agent), Place Roger Delthil; 82- Moissac, Tarn-et-Garonne. WTD 3/59.

353 Materials handling machinery, mining, and equipment

SWITZERLAND—Conveyors, belts, transmission and materials handling equipment for industry, warehouses and commercial establishments. Polytechna AG, Mr. H. R. Brungger, Zimmergasse 16, P.O. Box 8032, Zurich.

357 Office, computing, accounting machines

MALAWI—Factory reject lines of new, secondhand typewriters, registers, sewing machines, spare parts. Fair Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

358 Service industry machines

SPAIN—Commercial laundry, dry cleaning, pressing machinery, equipment. Exclusive agency. Garby (importer, manufacturer), Urbieta 20, San Sebastian, Guipuzcoa. WTD 3/69.

361 Electric transmission, distribution equipment

SWITZERLAND—Circuit breakers and fuses, under 600 volts, U.L. approved. Tenag AG (manufacturer, distributor), Flughofstrasse 32, 8152 Glattbrugg. WTD 3/69.

362 Electrical industrial apparatus

SWITZERLAND—Motor starters, 1-20 hp., U.L. approved; relays for industrial process control. Tenag AG (manufacturer, distributor), Flughofstrasse 32, 8152 Glattbrugg. WTD 3/69.

365 Radio, television receiving sets

MALAWI—Lower priced transistor radios, battery mains operated, portable, for 220/240 volt, 50 cycle system. Fair Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

SPAIN—Television receiving sets; high fidelity amplifiers. J. J. Garcia Gimeno (agent), Dr. Castelo 43, Madrid (9). WTD 2/69.

367 Electronic components

SWITZERLAND—Relays for industrial process control, electronic applications. Tenag AG (manufacturer, distributor), Flughofstrasse 32, 8152 Glattbrugg. WTD 3/69.

369 Electrical machinery, equipment, supplies

MALAWI—Dry-cell primary batteries for transistor radios, flashlights. Fair Deal Trade Agencies (sales agency), P.O. Box 29, Limbe. WTD 3/69.

384 Surgical, medical, dental instruments

SWITZERLAND—Surgical instruments, related products for human use, especially traumatic needles, similar items. Georges L. Lenarth, Ing. (agent, distributor), 59, Rue du Midi, 2500 Bienne. WTD in preparation.

Disposable medical, hospital supplies. Polytechna AG (importer, distributor), Attn: Mr. H. R. Brungger, Zimmergasse 16, P.O. Box 8032, Zurich. WTD 3/69.

394 Toys, sporting goods

SPAIN—Novelty gift items; toys; sporting goods. J. J. Garcia Gimeno (agent), Dr. Castelo 43, Madrid (9). WTD 2/69.

Contract bids sought on Ecuador housing project

The Ecuadorean Housing Bank, a Government agency, is asking for bids on a 25,000 unit housing project (Tender No. 1-69). The contract calls for provision of lots and their urbanization, housing construction, and financing. Bid deadline is Apr. 30.

Details on the project available from: Secretario, Banco Ecuatoriano de la Vivienda, Avenida 18 de Septiembre y Versalles, Quito, Ecuador. Correspondence preferred in Spanish.

Visiting Buyers and Officials

ARGENTINA—Mrs. Josefa Yelin, principal officer, Veraz, S.A., Garay 2382, Buenos Aires, **interested in obtaining information on structure and systems used by commercial credit reporting organizations.** Mid-April via New York for one week. c/o Argentine Consulate, 12 W. 56th St., New York, N.Y. 10019. Itinerary: New York. WTD in preparation.

ENGLAND—R. Geoffrey Smith, director, W. S. Cowell Ltd., 8 Butter Market, Ipswich, Suffolk or 28 Percy St., London W.1., **intested in finding sources for paper or board products printed in colors for manufacture and distribution in the U.K. and Europe, and requesting market information on paper products.** Apr. 28 via New York for approx. three weeks. c/o 5 East 66th St., New York, N.Y. 10021, Telephone RE 7-7100. Itinerary: New York, others as necessary. WTD in preparation.

JAPAN—Shoko Hattori, pres., Taiyo Construction Co., Ltd., No. 23, 4-chome, Wakatake-cho, Chikusa-ku, Nagoya, **interested in meeting industry and national or local government sources familiar with U.S. prefabricated housing construction industry.** Apr. 21 via Seattle for 22 days. c/o William Telford, 5617 Bayou Glen, Houston, Texas 77027. Itinerary: Seattle, Chicago, Detroit, Buffalo, New York, Philadelphia, Houston, Los Angeles, San Francisco, Honolulu. WTD in preparation.

KOREA—Meng Hi Lee, vice pres. and H. C. Shin, managing director, Samsung Electronics Co., Ltd., 50, 1-ka, Ulchi-ro, Chung-ku, Seoul, **interested in joint venture, market survey, financial arrangement, other business relationships with U.S. firms, and requesting technical information on TV cathode ray tube and vacuum tube manufacturing operation.** Apr. 20 via New York for two weeks. c/o 250 Park Ave., New York, N.Y. 10017. Itinerary: 4/20, New York, Moorestown, N.J.; 4/21 Washington, 4/23 Chicago. WTD in preparation.

TURKEY—Lazar Hason, representing his own firm. Tecim Han, Kat 2, Tomruk Cikmazi, Tahtakale, Istanbul, **interested in contacting U.S. importers of hosiery, especially men's and children's socks.** Apr. 10 via New York for one week. c/o Conrad Hilton Hotel, 720 S. Mich. Ave.. Chicago, Ill. 60605. Itinerary: Chicago, N.Y. WTD 1/68.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

COLOMBIA—A **major expansion of Bogota's water supply system** is scheduled for completion in 1971. Most of the construction contracts have been awarded but U.S. firms capable of supplying equipment will be interested in further expansion plans for the next decade announced during recent ceremonies inaugurating the current project.

These plans involve the construction of dams on the Chuza and Chingaza Rivers east of Bogota, new tunnel and open canal facilities to link water reserves in that area with the Bogota distribution system, construction of a new water treatment plant in Teusaca, north of Bogota, and other equipment and materials necessary to make the system functional. At present, the project is still in the planning stage, although access roads to the Chuza-Chingaza areas are being constructed and reportedly officials of the Bogota water company plan to travel to the United States in the near future to discuss financing.

INDONESIA—The Asian Development Bank has agreed to send a technical assistance mission to Indonesia to examine and assess the technical and economic soundness of the **Sempor irrigation project** which was initially conceived in 1955 to provide year-round irrigation and flood protection for about 16,000 hectares (approx. 359 acres) of paddy land along the southern coast of Java.

Completion of construction will require about three more years. According to the latest Government of Indonesia estimates, proposed construction of dam and irrigation networks may involve additional costs equivalent to $15 million, including foreign exchange cost of about $5 million.

The Bank mission will consist of five full-time experts: irrigation planner, engineering geologist, earth-rock fill dam engineer, agronomist, and agricultural economist acquainted with rice farming in tropical areas and, in addition, other short-term experts such as a financial analyst and a hydropower engineer.

KOREA—A loan of $7 million to the Korea Cold Storage Company Ltd. (KCSC), announced by the Asian Development Bank, will assist **development of fisheries,** a high priority sector in the Republic of Korea's development program.

The loan constitutes the first instance of specific financing activity flowing from a technical assistance program undertaken by the Bank.

Freezing, cold storage, ice-making, ice storage and supplementary processing facilities in Seoul, Pusan, Mokpo and Mukho, and marketing facilities in Seoul, together with appropriate transportation equipment, will require an estimated $15.3 million in addition to working capital totaling $2.9 million.

LIBYA—To develop Baida, 140 miles north east of Benghazi, as the administrative capital of Libya, more than $100 million has been allotted to the Baida Development Authority under the 1969-74 Five Year Plan.

The first call for tenders was expected to be issued in March to include construction of half the needed roads and sewers, both storm and effluent, within three years. The value is estimated at between $14 million and $28 million. Later a second contract will be let for the other half of the project. Most of the remaining money allotted for utilities is expected to be spent on improving and expanding the electricity distribution system.

The major non-utility projects are a tourist hotel and a 350-bed hospital, the latter already designed by the American firm of McGaughy, Marshall, McMillan and Lucas. A jet airport costing at least $14 million is nearing the construction stage. An impending water shortage, due within just a few years, will require a detailed water resources survey and ultimately important construction.

Eleven new government office buildings are approaching completion; and to facilitate traffic between Baida, Benghazi and the new coastal road, the Wadi El Kuff, the largest bridge in North Africa, is under construction.

THAILAND—The Royal Thai Government plans to build a **new bridge** across the Chao Phya River to link Bangkok with its twin city, Thonburi. Designed as a six-lane fixed bridge made of prestressed concrete, it will have three spans: the middle one will be 114 meters, the other two, 82 meters. Construction costs for this bridge and an additional small bridge needed to cross Bangkok-Noi Canal in Thonburi are estimated at $7.8 million.

Tenders for international bidding are expected to be announced in April. Financing options being considered are: a loan offered by the Japanese Government; budget allocation for the entire project; or financing by local or foreign sources. A timetable calls for construction to begin by early 1970 and 30 months for completion. Further information may be obtained from: Mr. Kanjana Hengsuvanij, Dir.-Gen., Public & Municipal Works Dept., Larn Luang Rd., Phanfa, Bangkok.

U.S. firms interested in offering design and construction services, supplying building materials and equipment, or investment in a **$50 million industrial estate** project should write to: Squadron Leader Prakaipet Indhusophon. c/o Karnasuta General Assembly Co., Ltd., 98 Sukhumvit Soi 26 (Soi Area), Bangkok.

The project calls for reclaiming a plot of approximately 2,480 acres of land in a coastal area at Angsila, Cholburi Province, about 60 miles southeast of Bangkok to be developed into an industrial zone for new factories, warehouses, hotels and all related facilities over a period of ten years. The proposal would be useful to industries which need sea transport, especially firms in the export business. Consideration will be given to establishing a free trade zone.

In a related development, the Thai Government recently awarded a contract to NEDECO of the Netherlands to undertake a survey and preliminary design for a proposed deep-sea commercial port at Laem Chabang, Sriracha, Cholburi Province. In conjunction with this development the State Railway of Thailand proposes to build a new line from Laem Chabang to join the rail net at Chachoengsao. The port and railway projects would enhance the value of the industrial zone at Angsila.

New Books and Reports

***Overseas Business Reports.* U.S. Department of Commerce. Washington, D.C. 1969. $16 per year. ($5 additional for overseas mailing), 15 cents per copy.**

Basic Data on the Economy of Uruguay. OBR 68-113. Information on geography, population, government, agriculture, transportation, communications, industry, financial situation, and foreign trade is included.

Basic Data on the Economy of the Dominican Republic. OBR 68-114. Information similar to that listed above for the report on Uruguay is included in this OBR.

Market Factors in Norway. OBR 69-1. Such topics as local tastes and preferences, consumer purchasing power, government factors, as well as market analysis for seven selected commodities are covered.

U.S. Foreign Trade Annual 1962-68. OBR 69-2. Tables are included on: annual value of U.S. exports, imports and merchandise balance; domestic exports by economic classes; imports by economic classes; U.S. exports and general imports of principal commodities; exports, imports and merchandise balance by geographic area; U.S. general imports by principal countries and areas; and others.

Establishing a Business in New Zealand. OBR 69-4. The investment climate, legislation governing investment, business organization, industrial property protection, employment, taxation, availability of capital, and basic economic facilities are covered.

Write: any Department of Commerce Field Office or Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***Capital Formation and Economic Development in Mexico.* By Joseph S. LaCosta. Published by Frederick A. Praeger. New York. 1969. 200pp. $15.**

The influence of natural resources, the economic aims of the Mexican Revolution of 1910, the political system, and the policies of successive presidential administrations are analyzed in detail in this study of changing patterns of capital formation that have taken place in Mexico since the revolution.

A highlight of the study is an in-depth analysis of the role of capital formation —financed by private, public, or foreign financial areas—in the country's economic growth and development since 1958.

Some 80 statistical tables elucidate public and private investment, government revenues and expenditures, imports and exports, and other economic factors.

Write: Frederick A. Praeger, Publishers, 111 Fourth Ave., New York, N.Y. 10003.

New booklet summarizes Commerce export rules

The Machinery and Allied Products Institute (MAPI) has issued a summary of U.S. Department of Commerce regulations covering the export of technical data.

The 16-page booklet includes a table showing whether or not a validated license is required, by product, and there is a yes-no checkoff on "written assurance" requirements.

Copies of Bulletin 4312 are available at $2 each from: Machinery and Allied Products Institute, 1200 18th St. N.W., Washington, D.C. 20036.

***Organizing for Latin American Operations.* Published by Business International. New York. 1969. 60pp. $50.**

This research report shows how international firms are organizing their operations to meet rising nationalism throughout Latin America, such as that recently exhibited by Peru and for many years by Mexico.

The report, which includes organization charts, provides information companies need to make the right decisions in fitting the Latin American dimension into their overall global plan, in deciding where (if at all) to set up regional headquarters, and in finding and installing organizational devices to meet the problems of nationalism, regional integration, limited available manpower, and market diversity.

Write: Business International, 757 Third Ave., New York, N.Y. 10017.

Canadian Tariff Board reports on import tariffs for greenhouse vegetables

The Canadian Tariff Board has published the report of its investigations of import tariffs on greenhouse vegetables.

The Board's only recommendations for such products are to abolish the present 2¼¢ per pound and 10% ad valorem duty, either of which is applicable to cucumbers under tariff item 8712-1 during the months of December, January and February, depending on harvesting conditions, and a recommendation that the free entry now provided under Tariff Item 8724-1 for tomatoes during the months of January, February and March be extended to include the month of December. For the remainder of the year, tomatoes are presently dutiable at 1½¢ per pound or 10% ad valorem, depending on harvesting conditions.

These recommendations will receive Canadian Government consideration before a decision is reached as to whether or not they should be adopted. In the meantime, the Government has requested that interested parties wishing to offer comments on the Tariff Board's recommendations do so promptly to the Tariffs Division, Department of Finance, Ottawa.

For a copy of the report at C$2.25 (U.S.$2.08) **write:** Queen's Printer, Ottawa —catalogue No. FT4-140. Check or money order may be made payable to the Receiver General of Canada.

***Economic Surveys.* Published by the Organization for Economic Cooperation and Development. Paris 1969. 80 cents each.**

Two new titles are available in the series of economic studies for member countries published annually by the OECD. These booklets contain information on economic developments and policies, business trends, and economic outlook. Emphasis is placed on each country's most important problems.

A statistical annex is included for each country, giving such information as wages and prices, money and banking, imports and exports, and balance of payments.

Greece. Feb. 1969. 55pp.

Sweden. Mar. 1969. 51pp.

Write: OECD Publications Office, Suite 1305, 1750 Pennsylvania Ave. NW., Washington, D.C. 20006.

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Calendar *for international traders*

BATON ROUGE, La.—Apr. 22—Exporting for Profit seminar, Bellemont Motor Hotel, 7 p.m. Speaker: R. L. Beukenkamp, coordinator of export services, Foreign Agricultural Service. Sponsors: Commerce New Orleans Field Office, REEC.

CHICAGO—Apr. 22—International Trade Club/Chicago Council on Foreign Relations joint luncheon meeting, Sheraton-Blackstone Hotel, 12:15 p.m. Speaker: Charles Lucet, French Ambassador to the U.S.

CHICAGO—Apr. 24—In-Office Meeting, Commerce Field Office.

CHICAGO—Apr. 25—Businessmen's Consultation, **Johnson Garrett, Industrial Development Attache, Paris.** Topic: Foreign Investment & Licensing in the U.S.

CHICAGO—Apr. 30—Chicago Midwest Credit Management Assn., Bismarck Hotel.

CINCINNATI—Apr. 30—World Trade Club monthly meeting, Sheraton-Gibson Hotel, 6 p.m. Topic: U.S.-Japan Trade Council.

CLEVELAND—Apr. 30—Report on S. America, Conference Room, Greater Cleveland Growth Assn., 10 a.m.

DAYTON—Apr. 23—4th of 8 weekly export trade workshops, Rm. 310, Kennedy Memorial Union, University of Dayton, 7:30 p.m. Sponsors: Commerce Cincinnati Field Office, REEC, U. of Dayton, Chamber of Commerce.

DETROIT—Apr. 22—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

KANSAS CITY—Apr. 23—Export Procedures Course, Documentation, Ten Main Ctr., 6:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club.

KANSAS CITY—Apr. 30—Export Procedures Course, Documentation, Ten Main Ctr., 6:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club.

LOS ANGELES—Apr. 25—Export Expansion Seminar, Commerce Field Office, 9:30 a.m.

MEMPHIS—Apr. 22—Fifth session of Export Educational Seminar, "Technique of Getting Paid," Auditorium, Board of Education. Sponsors: Commerce Field Office, REEC, Mid-South Exporters' Roundtable, Small Business Admin., Memphis Div. of Vocational Education.

MEMPHIS—Apr. 24—Sixth session of Export Educational Seminar, "Export Problem Clinic," Auditorium, Board of Education. Sponsors: same as above.

MUSKEGON, Mich.—Apr. 22—Western Michigan World Trade Club meeting, Lakos Restaurant.

NASHUA, N.H.—Apr. 30—Int'l Business Day in New England, Old Coach Inn, 12 noon. Sponsors: Int'l Center of New England, N.H. Council of World Affairs.

NEW HAVEN—Apr. 23—Foreign Trade Class, "Quotation & Documentation," First New Haven Nat'l Bank, 7 p.m. Sponsors: First New Haven Nat'l Bank, Commerce Hartford Field Office, REEC, Chamber of Commerce.

NEW HAVEN—Apr. 30—Foreign Trade Class, "Methods of Exporting & Market Potential," "Assistance Available to Exporters," First New Haven Nat'l Bank, 7 p.m. Sponsors: same as above.

NEW YORK—Apr. 23—First of 7 Planning & Organizing for International Trade lectures, Zeckendorf Campus, Long Island University. Sponsor: Commerce Field Office, REEC, College of Business Admin., L.I.U.

NEW YORK—Apr. 24—First of 8 Documentation lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Admin., L.I.U.

NEW YORK—Apr. 29—First of 8 Int'l Business Marketing-Management lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office; REEC; College of Business Administration, L.I.U.

OAKLAND, Calif.—Apr. 24—Export Workshop, Edgewater Hyatt House, 8:45 a.m.

OMAHA—May 1—Export Development Seminar, Chamber of Commerce, 9 a.m. Sponsors: Commerce Field Office, REEC, Chamber of Commerce.

OMAHA—May 1—Export Documentation Seminar, Chamber of Commerce, 2 p.m. Sponsors: Commerce Field Office, REEC, Chamber of Commerce.

PHILADELPHIA—Apr. 30—Entering the Overseas Market orientation program, Sylvania Hotel, 9 a.m. Sponsor: Chamber of Commerce.

ST. LOUIS—Apr. 24—World Trade Club monthly dinner meeting, Japanese Trade Commission, Bel Air East Motor Hotel, 6 p.m.

SEATTLE—Apr. 22—Marketing & Forwarding for Exporters, Rm. 8021, Federal Office Bldg., 10 a.m.-12 noon.

SEATTLE—Apr. 29—Banking & Insurance for Exporters, Rm. 8021, Federal Office Bldg., 10 a.m.-12 noon.

STAMFORD, Conn.—Apr. 21—Foreign Trade Class, "Methods of Exporting & Market Potential," "Assistance Available to Exporters," Chamber of Commerce, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Chamber of Commerce, Fairfield County Trust Co.

TOLEDO—Apr. 23—Export Documentation & Forwarding, Chamber of Commerce, 2 p.m.

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